

29 October 2021

## SEPTEMBER 2021 QUARTERLY ACTIVITIES REPORT

### Quarter Highlights

#### Québec, Canada

- Sayona Québec and Piedmont complete acquisition of North American Lithium (NAL)
- Preparations underway for resumption of NAL operations; project review shows scope for further resource expansion
- Acquisition of Moblan Lithium Project, Northern Québec secures leading North American lithium asset base
- Testing confirms Authier spodumene delivers high purity lithium hydroxide suitable for battery/cathode makers
- Placement and Share Purchase Plan, raising A\$65 million to fund NAL acquisition

#### Western Australia

- Gold exploration plans ramped up and drilling planned at Mt Dove and Deep Well Projects
- Altura Mining commits to earn-in over Pilbara lithium projects, with initial focus on Mallina project

#### Post-quarter

- A\$100 million raised in Placement and additional A\$25.5 million in rights issue to close acquisition of 60% of Moblan Lithium Project; drilling program at project planned for 2022, together with revised definitive feasibility study

**Emerging lithium producer Sayona Mining Limited (ASX:SYA; OTCQB:SYAXF)** has further expanded its lithium asset base in Québec, Canada together with advancing its Western Australian lithium and gold projects, as highlighted by its Activities Report for the September quarter 2021.

## NAL Acquisition

In August, Sayona announced the completion of its acquisition of North American Lithium (NAL) with its strategic partner, Piedmont Lithium Inc., through its subsidiary Sayona Québec (refer ASX announcement 30 August 2021).

NAL comprises 19 contiguous claims covering 582.31 ha, situated in La Corne township in Quebec's Abitibi-Témiscamingue region. The project lies 60 km north of the city of Val d'Or, a major mining service centre, and in proximity to Sayona's Authier Lithium Project (Authier).

The integration of NAL with Authier 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.

Preparations are now advancing for the resumption of operations at NAL, with a scoping study underway for the profitable production of spodumene (lithium) concentrate from 2023. Sayona's local team in Québec is fully engaged in executing a turnaround plan at NAL, including the refurbishment of its facilities and its amalgamation with Authier.

In addition, an evaluation of downstream processing at NAL is progressing, as per the NAL acquisition agreement. Under the agreement, Sayona Québec has agreed to a series of commitments to pursue the establishment of industrial spodumene conversion facilities in Québec.

A feasibility study into the development of a spodumene conversion facility will be conducted within three years from the transaction's closure. In addition, subject to certain conditions, NAL has undertaken to convert its spodumene production into lithium hydroxide or lithium carbonate within Québec from the sixth anniversary until the 10th anniversary of the closure.

In September, the Company announced a project review showed potential to significantly increase the lithium resource at NAL (refer ASX announcement 13 September 2021). Extensive diamond drilling completed in 2019 is being integrated with other previous drill results which are being audited, with the potential to fast-track an increased resource estimate and the resumption of operations at NAL.

Consultants BBA Inc. have been engaged to produce an updated Canadian NI 43-101 study of NAL's resource base, with subsequent conversion to Australia's JORC standard by year-end.

## Moblan Acquisition

In September, Sayona entered into an agreement to acquire the Moblan Lithium Project (Moblan) in the Eeyou-Istchee James Bay region of Northern Québec (refer ASX announcement 30 September 2021).

Located about 130km north-west of Chibougamau, the project is situated in a recognised lithium mining province, which hosts proven resources including Nemaska Lithium's Whabouchi mine. It is well serviced by key infrastructure and transport and has access to low-cost, environmentally friendly hydro power.

Moblan is host to high-grade spodumene mineralisation, with a Mineral Resource Foreign Estimate of 12.03Mt @ 1.4% Li<sub>2</sub>O (refer Table 1 below and Cautionary Statement). It is hosted in a well-studied deposit, with previous exploration work comprising 132 diamond drill holes for more than 17,559m, establishing a 1.5km strike.

The broad thickness of mineralisation, typically 20-30m width, combined with a shallow 30-35 degree dip results in a favourable mining geometry, with a low waste to ore strip ratio of 2.9 to 1.

Sayona has identified the opportunity for a potential expansion of the resource, including following up previous geotechnical drilling which intersected up to 29.1m of continuous spodumene-bearing pegmatites outside the resource envelope.

The Company regards the Moblan acquisition as a significant transaction based on the known high-grade mineralisation and opportunity for expansion of the resource base.

Consistent with the Company's focus on sustainable development, Sayona will engage in ongoing community consultation to ensure maximum benefits flow to the local community, including First Nations and other key stakeholders.

**Table 1: Moblan 2019 Mineral Resources and Reserve Estimate**

| <b>DRA/Met-Chem 2019 Mineral Resources Estimate (0.3% Li<sub>2</sub>O cut-off grade)</b> |                       |                               |               |
|--|-----------------------|-------------------------------|---------------|
| <b>Category</b>  | <b>Million Tonnes</b> | <b>Grades Li<sub>2</sub>O</b> | <b>Fe (%)</b> |
| Measured   | 4.76                  | 1.59%                         | 0.57%         |
| Indicated  | 7.27                  | 1.27%                         | 0.62%         |
| <b>Total</b>   | <b>12.03</b>          | <b>1.40%</b>                  | <b>0.60%</b>  |
| Inferred   | 4.06                  | 1.33%                         | 0.67%         |

- *Tonnages have been rounded to the nearest 0.01 Mt to reflect their approximate nature.*
- *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 Mineral Reserves. The quantity and grade of reported Inferred resources in this Mineral Resource Estimate are uncertain in nature and there has been insufficient exploration to define these Inferred resources as Indicated or Measured, and it is uncertain if further exploration will result in upgrading them to these categories.*

| <b>DRA/Met-Chem 2019 Reserves Estimate (0.6% Li<sub>2</sub>O cut-off grade)</b> |                   |                               |
|---|-------------------|-------------------------------|
| <b>Category</b>   | <b>Tonnes (t)</b> | <b>Grades Li<sub>2</sub>O</b> |
| Proven  | 4,598,000         | 1.57%                         |
| Probable  | 6,133,000         | 1.27%                         |
| <b>Total</b>  | <b>10,731,000</b> | <b>1.40%</b>                  |

Note: Based on a 98% mining recovery; 10% dilution. Stripping ratio of 2.9 to 1.

**Cautionary Note: The Mineral Resources and Ore Reserves stated are foreign estimates and are not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the foreign estimates as Mineral Resources or Ore Reserves 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 or Ore Reserves in accordance with the JORC Code. Please see below for the ASX listing rule Chapter 5 disclosures.***

In October, subsequent to period end, Sayona announced it had completed the acquisition of Moblan for US\$86.5 million following a successful A\$100 million capital raising (refer ASX announcements 4 and 18 October 2021). The Company also announced it was planning an additional drilling program at the project in 2022 aiming to expand its lithium resource. In addition, Sayona will undertake a revised definitive feasibility study targeting an increase in its spodumene production capacity.

### **Authier Lithium Project**

Sayona's 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 was undertaken at Authier with the aim of expanding the current ore resource, improving the strip ratio and accelerating production to enhance its profitability. Some 31 drill holes were planned for a total of approximately 4,500m of diamond drilling. The drilling campaign also tested for potential repetition of lithium pegmatite in the southern lease sector. Assay analysis is underway and the results will be announced to the ASX in the December quarter.

The drilling was 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 early July, the Company announced testing results showing Authier spodumene is capable of being processed into high purity, 99.99% lithium hydroxide. 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 was 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.*

Results from the Novonix testing will be announced to the ASX when available.

### Tansim Lithium Project

The Tansim Lithium Project, located 82 kilometres south-west of the Authier project, is a highly valuable component of the Company's Abitibi lithium hub. The project comprises 355 claims spanning 20,546 ha.

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.

Project tenements are displayed in the figure below.

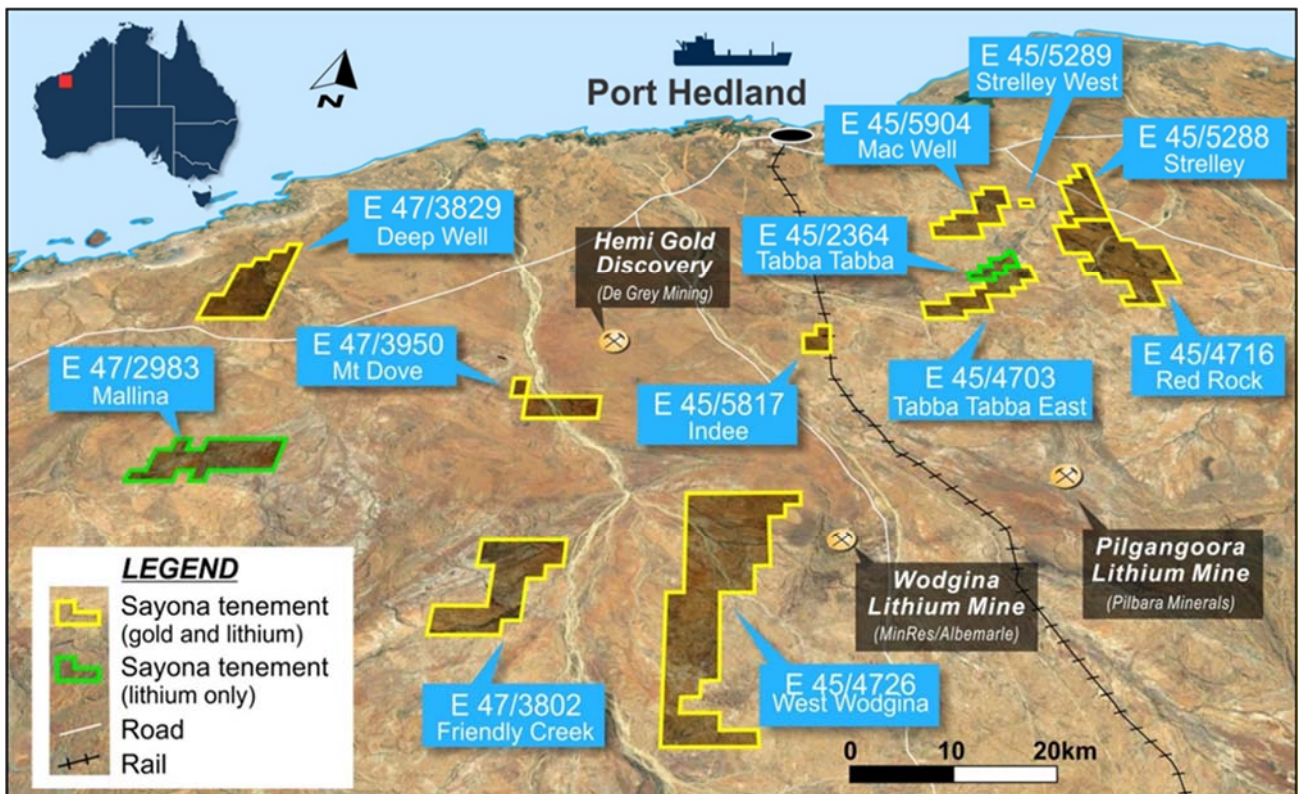


Figure 1: Sayona tenements in Western Australia

### Pilbara Exploration

Sayona's Pilbara portfolio comprises 12 leases totaling 1,016 sq km in area within the Pilgangoora lithium

district. Ten of the tenements, covering 911 sq km have associated gold rights and are proximal to De Grey Mining’s 9Moz Au Mallina Gold Project, which includes the recent 6.8Moz Au Hemi gold discovery.

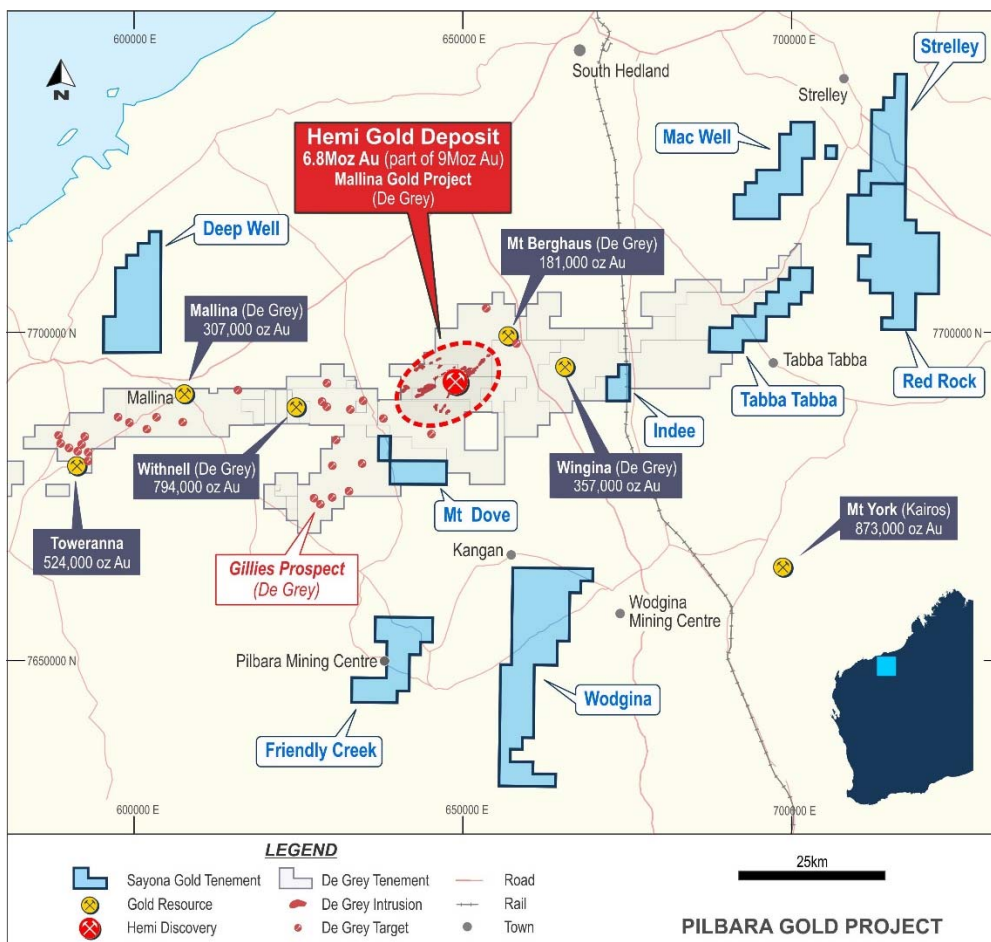
Of the 12 Pilbara tenements with lithium rights, 10 are subject to an earn-in agreement with Altura Mining Limited (Altura) with the two remaining tenements held within Sayona’s exploration portfolio. All are located in the Pilgangoora lithium district.

**Altura Lithium Earn-in Agreement (Altura Mining earning 51%)**

In June, Sayona announced it had entered into a new agreement with Altura Mining Limited (Altura) for Altura to earn-in to some of the Company’s Pilbara and South Murchison lithium projects through exploration expenditure. Under the terms of the earn-in agreement, Altura has the right to earn a 51% interest by spending a minimum of A\$1.5 million on exploration within 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. Sayona will retain 100% of the gold and other non-lithium rights within the tenement area.

In August, Altura completed its due diligence and commenced the earn-in. Altura’s exploration is planned to initially focus on the Mallina Lithium Project, where multiple zones of spodumene pegmatite have been identified within a 25 sq km zone. Previous drilling by Sayona in 2018 returned intercepts of spodumene pegmatite including 4m @ 2.18% Li<sub>2</sub>O from surface in RC drillhole SMRC040, which remains open at depth and to the north and south.



**Figure 2: Pilbara gold leases**

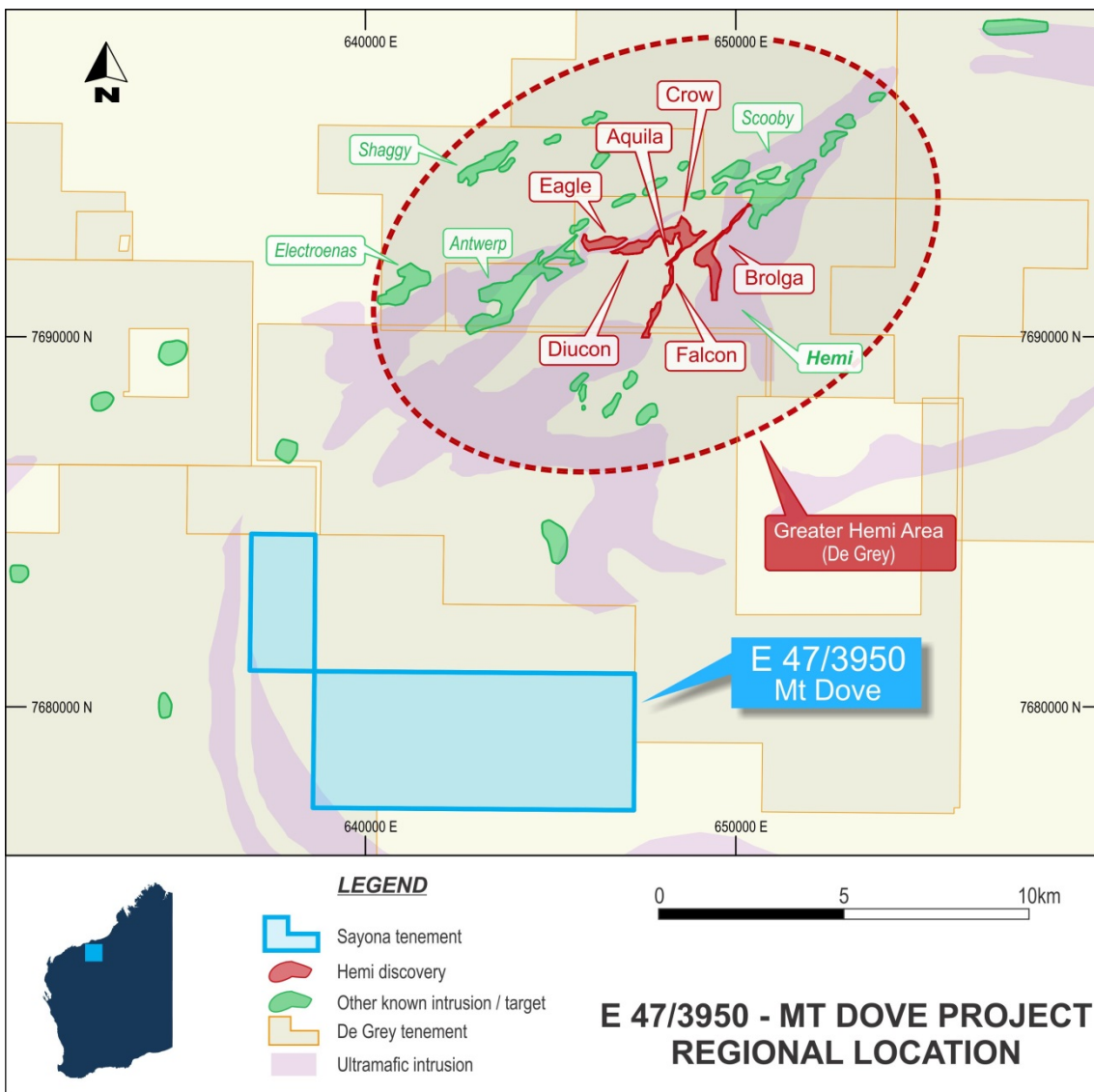
**Pilbara Gold Exploration (Sayona 100%)**

Sayona’s Pilbara gold leases are prospective for intrusion-related gold mineralisation, similar in style to that identified at the Hemi gold discovery hosted within, and around, late-stage intrusions 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.

**Mt Dove Project**

The Mt Dove project is the closest Sayona lease to De Grey’s Hemi project, 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).

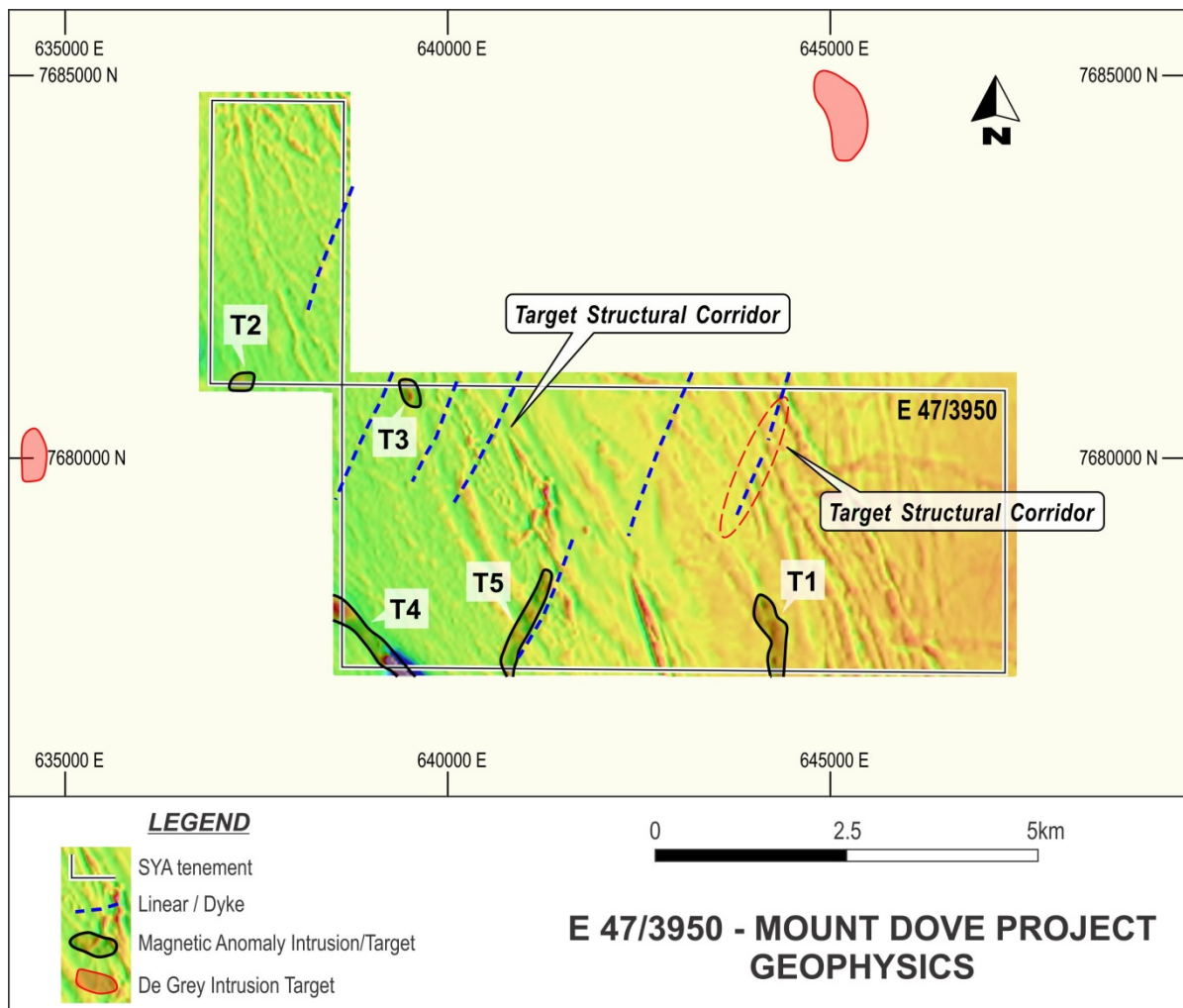


*Figure 3: Mt Dove lease and surrounding De Grey targets and Hemi Discovery*

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 is coincident with a magnetic feature and Sayona’s initial exploration includes the use of airborne magnetics to identify similar targets.

A dedicated airborne magnetic survey undertaken by Sayona in April 2021 has been combined with other multi-client data and interpreted by Graham Jenke, a senior consulting geophysicist with Southern Geoscience Consultants.

Many of the magnetic features in the area relate to localised accumulations of magnetite within sand dune systems and in fossil river terraces along the margins of the Yule River. However, five magnetic features of interest and a number of north-east trending structures and dykes that may have acted as pathways for intrusions within the tenement area have also been identified (see Figure 4 below).



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

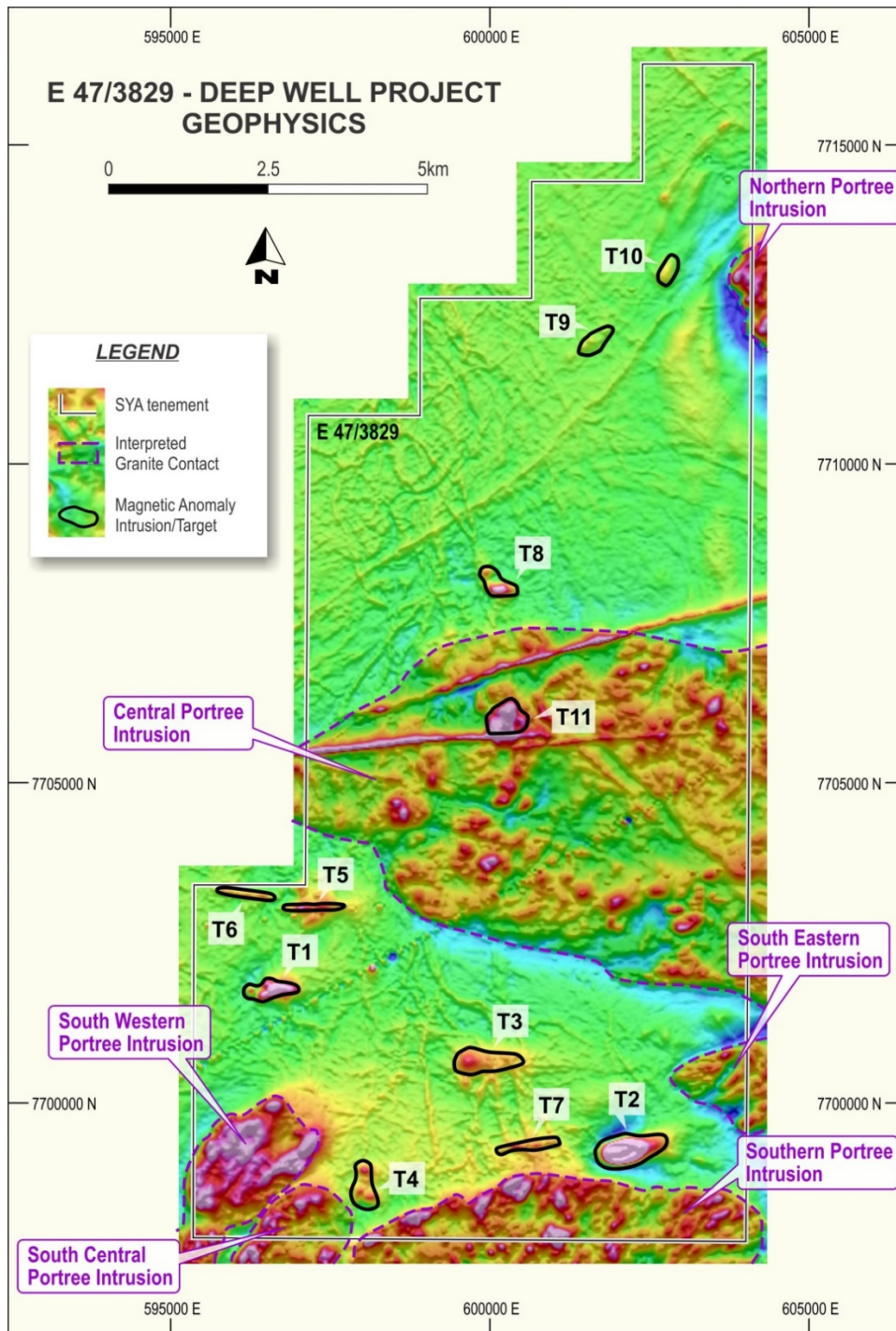
Regolith mapping has confirmed transported soil cover largely obscures bedrock within the tenement area, and the magnetic features and targets require drill testing. During the quarter, statutory approval for drilling was granted and planning for heritage surveying advanced. When completed, a 3,500m aircore/RC drill programme is planned to commence, testing magnetic features, structural targets and bedrock gold anomalism.



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**

The Deep Well tenement, E47/3829 covers Mallina Basin sediments which have been intruded by the Portree Suite, a range of tonalite, granodiorite and other intrusive which are of the same age as the prospective Indee Suite. Much of the tenement area is obscured by surficial cover and exploration has included a dedicated magnetic survey to identify features for drill testing.



**Figure 5: Deep Well Project with RTP magnetics and targets**

Interpretation of the geophysical data by Graham Jenke has identified 11 discrete magnetic anomalies, as shown in Figure 5.

The magnetics data has also helped resolve bedrock geology of the tenement area where Mallina Basin sediments are intruded by six discrete intrusions of the Portree Suite. The large extent of Mallina Basin sediments between the Portree intrusions provides encouragement to identify further subtle magnetic features and alteration contact zones with continued processing of geophysical data and as new information from drilling comes to hand.

A 3,200m aircore/RC drill programme has been designed to test the principle magnetic anomalies. During the quarter advances were made to gain statutory approval for this drilling as well as heritage surveying to ensure Sayona complies with its Aboriginal heritage requirements. This work is ongoing.

### **Tabba Tabba and other Pilbara Gold Project Areas (Sayona 100%)**

The Tabba Tabba Project comprises five tenements that margin the Tabba Tabba shear zone, a major crustal suture along which a range of late-stage intrusions, including the gold-prospective Indee suite have been identified.

During the quarter, air-photo mapping was undertaken by specialist geological mapper Barry Cotton over the Tabba Tabba East area, tenement E45/4703. This work identified a structural corridor to the east of and paralleling the Tabba Tabba shear zone. As a first pass test of this 10km zone a total of 412 soil geochemical samples have been collected and submitted for gold analysis. The results of this sampling are pending.

Air-photo mapping has also been carried out over the Friendly Creek tenement. The tenement is located within the Yandeyarra Aboriginal Reserve and an Access Agreement is required before any ground activities can commence.

### **Other Western Australian Projects**

#### **Mt Edon Lithium Project (Altura earning 51%)**

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's past exploration at Corkwood has included identification of coarse flake graphite mineralisation, hosted in sediments off the Tickalara Metamorphics. During the quarter project data was reviewed but no fieldwork was carried out.

## **Corporate**

### **Capital Raising**

In July, 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 received significant demand, with Sayona receiving strong support from institutional investors in North America, Europe and Asia together with Australia. Sayona's major shareholder and strategic partner, Piedmont also subscribed for A\$8 million in the Placement.

Sayona also launched a Share Purchase Plan (SPP) for the benefit of shareholders at the same offer price as the Placement. The SPP closed oversubscribed, with applications totalling approximately A\$68 million. The Board subsequently used its discretion to accept oversubscriptions to A\$20 million to accommodate demand from longstanding shareholders.

Post-quarter end, on 4 October Sayona announced a Placement to global institutional, professional and sophisticated investors. Sayona received bids considerably in excess of the amount sought, raising A\$100 million through the issue of 689,470,310 new fully paid ordinary shares at an offer price of A\$0.145 per new share. The offer price was nearly double the previous Placement's offer price.

Sayona also undertook a Non-Renounceable Rights Issue seeking to raise up to A\$25.5 million from existing shareholders at the same offer price as the Placement, ensuring all shareholders received the same opportunity to participate in the Company's growth. It was conducted on the basis of one new share for every 35 existing shares held on 7 October 2021.

On 28 October, Sayona announced the closure of the Non-Renounceable Rights Offer, which raised A\$17,325,395 through valid acceptances and applications for additional shortfall shares from eligible shareholders, amounting to 119,671,618 new shares.

The Company also received firm commitments from institutional, professional and sophisticated investors for the remaining rights issue shortfall of 56,370,424 shares, totalling A\$8,173,700. Canaccord Genuity (Australia) Limited was mandated to assist the Company with the placement of any rights issue shortfall.

The funds raised through the Rights Issue will support accelerated work on the Company's recently acquired interest in the Moblan Lithium Project in Northern Québec (announced 30 September 2021) and its Abitibi hub, ensuring Sayona has the leading lithium asset base in North America amid accelerating lithium demand.

Under the rights issue timetable announced on 11 October, the allotment of new shares will occur on 1 November 2021, with normal trading of these new shares expected to commence the following day.

### **OTCQB Listing**

Sayona has enhanced access to its stock for North American investors, with the Company now listed on the OTCQB Venture Market under the stock code of 'SYAXF'.

Operated by New York-based OTC Markets Group, which provides financial markets for 11,000 U.S. and global securities, the OTCQB Venture Market provides transparent and efficient trading in entrepreneurial and development stage U.S. and international companies.

North American and other international investors can find real-time Level 2 quotes (denominated in U.S.dollars) and market information for Sayona Mining Ltd. common shares at <https://www.otcm Markets.com/stock/SYAXF/overview>

### **Extraordinary General Meeting**

On 16 August, Sayona held an Extraordinary General Meeting, held virtually due to COVID-19 restrictions. All resolutions were put to the meeting and passed by way of poll (refer ASX release 16 August 2021).

The Company's Annual Report to shareholders was released on 22 October 2021 and is available on the Company's website. Details of the Company's Annual General Meeting will be advised to shareholders.

## Appendix 5B Disclosures

During the quarter, the Company made payments of \$184,000 to related parties (item 6.1), representing director remuneration, including executive director salaries and non-executive director fees.

During the quarter, the Company spent approximately \$3,000,000 on exploration and project evaluation costs, primarily on its Québec lithium projects. In addition, the Company settled the acquisition of the North American Lithium asset during the quarter, with a final payment of approximately \$77.5m. Details of these activities have been outlined above.

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

For more information, please contact:

**Brett Lynch**

Managing Director

Email: [info@sayonamining.com.au](mailto:info@sayonamining.com.au)

For media queries, please contact:

Anthony Fensom, Republic PR

[anthony@republicpr.com.au](mailto:anthony@republicpr.com.au); +61 (0)407 112 623

## About Sayona Mining

Sayona Mining Limited is an emerging lithium producer (ASX:SYA; OTCQB:SYAXF), with projects in Québec, Canada and Western Australia.

In Québec, Sayona's assets comprise North American Lithium together with 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).

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, 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:

- 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
- Exploration boost for Pilbara lithium assets – 6 August 2021
- Shareholders heavily support Sayona SPP – 23 August 2021
- OTCQB listing enhances access for North American investors – 24 August 2021

- NAL acquisition finalised and production plans advance – 30 August 2021
- Sayona eyes potential NAL resource increase – 13 September 2021
- Sayona acquiring Moblan Project to boost Québec lithium base – 30 September 2021
- Investors back Moblan acquisition with A\$100 million Placement – 4 October 2021
- Resource expansion eyed as Moblan acquisition closes – 18 October 2021
- New funds for expansion as rights issue closes – 28 October 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% Application*                | 100% Granted*                    |
| E45/5288                     | Strelley         | Granted     | 100% Application*                | 100% Granted*                    |
| E45/5289                     | Strelley West    | Granted     | 100% Application*                | 100% Granted*                    |
| E47/2983                     | Mallina          | Granted     | 100% (pegmatite minerals only)*  | 100%* (pegmatite minerals only)* |
| E45/5817                     | Indee            | Application | 100%*                            | 100%*                            |
| E45/5904                     | Mac Well         | Application | 100%*                            | 100%*                            |

\*Tenement Subject to Altura Lithium Earn-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  | 100%     | 2440898  | 100%     | 2519280  | 100%     |
| 2415443  | 100%     | 2440899  | 100%     | 2519281  | 100%     |
| 2415444  | 100%     | 2440900  | 100%     | 2519282  | 100%     |
| 2436732  | 100%     | 2440901  | 100%     | 2519283  | 100%     |
| 2436733  | 100%     | 2440902  | 100%     | 2519284  | 100%     |
| 2436734  | 100%     | 2440903  | 100%     | 2519285  | 100%     |
| 2438472  | 100%     | 2440907  | 100%     | 2519286  | 100%     |
| 2438473  | 100%     | 2440908  | 100%     | 2519287  | 100%     |
| 2438474  | 100%     | 2440909  | 100%     | 2519288  | 100%     |
| 2438475  | 100%     | 2440919  | 100%     | 2519289  | 100%     |
| 2438476  | 100%     | 2440920  | 100%     | 2519290  | 100%     |
| 2438477  | 100%     | 2440925  | 100%     | 2519291  | 100%     |
| 2438478  | 100%     | 2440930  | 100%     | 2519292  | 100%     |
| 2438723  | 100%     | 2440935  | 100%     | 2519293  | 100%     |
| 2440836  | 100%     | 2440936  | 100%     | 2519294  | 100%     |
| 2440837  | 100%     | 2440993  | 100%     | 2519295  | 100%     |
| 2440838  | 100%     | 2440994  | 100%     | 2519296  | 100%     |
| 2440839  | 100%     | 2450758  | 100%     | 2519297  | 100%     |
| 2440840  | 100%     | 2519251  | 100%     | 2519298  | 100%     |
| 2440841  | 100%     | 2519252  | 100%     | 2519299  | 100%     |
| 2440842  | 100%     | 2519253  | 100%     | 2519300  | 100%     |
| 2440843  | 100%     | 2519254  | 100%     | 2519301  | 100%     |
| 2440844  | 100%     | 2519255  | 100%     | 2519302  | 100%     |
| 2440845  | 100%     | 2519256  | 100%     | 2519303  | 100%     |
| 2440846  | 100%     | 2519257  | 100%     | 2519304  | 100%     |
| 2440847  | 100%     | 2519258  | 100%     | 2519305  | 100%     |
| 2440848  | 100%     | 2519259  | 100%     | 2519306  | 100%     |
| 2440849  | 100%     | 2519260  | 100%     | 2519307  | 100%     |
| 2440850  | 100%     | 2519261  | 100%     | 2519308  | 100%     |
| 2440851  | 100%     | 2519262  | 100%     | 2519309  | 100%     |
| 2440852  | 100%     | 2519263  | 100%     | 2519310  | 100%     |
| 2440853  | 100%     | 2519264  | 100%     | 2519311  | 100%     |
| 2440854  | 100%     | 2519265  | 100%     | 2519312  | 100%     |
| 2440855  | 100%     | 2519266  | 100%     | 2519313  | 100%     |
| 2440856  | 100%     | 2519267  | 100%     | 2519314  | 100%     |
| 2440857  | 100%     | 2519268  | 100%     | 2519315  | 100%     |
| 2440858  | 100%     | 2519269  | 100%     | 2519316  | 100%     |
| 2440859  | 100%     | 2519270  | 100%     | 2519317  | 100%     |
| 2440860  | 100%     | 2519271  | 100%     | 2519318  | 100%     |
| 2440890  | 100%     | 2519272  | 100%     | 2519319  | 100%     |
| 2440891  | 100%     | 2519273  | 100%     | 2519320  | 100%     |
| 2440892  | 100%     | 2519274  | 100%     | 2519321  | 100%     |
| 2440893  | 100%     | 2519275  | 100%     | 2519322  | 100%     |
| 2440894  | 100%     | 2519276  | 100%     | 2519323  | 100%     |
| 2440895  | 100%     | 2519277  | 100%     | 2519324  | 100%     |
| 2440896  | 100%     | 2519278  | 100%     | 2572665  | 100%     |
| 2440897  | 100%     | 2519279  | 100%     | 2572666  | 100%     |



Canadian Tenement Schedule - Tansim

| Tenement | Interest | Tenement | Interest | Tenement | Interest |
|----------|----------|----------|----------|----------|----------|
| 2572667  | 100%     | 2579271  | 100%     | 2601810  | 100%     |
| 2572668  | 100%     | 2601761  | 100%     | 2601811  | 100%     |
| 2572669  | 100%     | 2601762  | 100%     | 2601812  | 100%     |
| 2572670  | 100%     | 2601763  | 100%     | 2601813  | 100%     |
| 2572671  | 100%     | 2601764  | 100%     | 2601814  | 100%     |
| 2572672  | 100%     | 2601765  | 100%     | 2601815  | 100%     |
| 2572673  | 100%     | 2601766  | 100%     | 2601816  | 100%     |
| 2572674  | 100%     | 2601767  | 100%     | 2601817  | 100%     |
| 2572675  | 100%     | 2601768  | 100%     | 2601818  | 100%     |
| 2572676  | 100%     | 2601769  | 100%     | 2601819  | 100%     |
| 2572677  | 100%     | 2601770  | 100%     | 2601820  | 100%     |
| 2572678  | 100%     | 2601771  | 100%     | 2601821  | 100%     |
| 2572679  | 100%     | 2601772  | 100%     | 2601822  | 100%     |
| 2572680  | 100%     | 2601773  | 100%     | 2601823  | 100%     |
| 2572681  | 100%     | 2601774  | 100%     | 2601824  | 100%     |
| 2572682  | 100%     | 2601775  | 100%     | 2601825  | 100%     |
| 2572683  | 100%     | 2601776  | 100%     | 2601826  | 100%     |
| 2572684  | 100%     | 2601777  | 100%     | 2601827  | 100%     |
| 2572685  | 100%     | 2601778  | 100%     | 2601828  | 100%     |
| 2572686  | 100%     | 2601779  | 100%     | 2601829  | 100%     |
| 2572687  | 100%     | 2601780  | 100%     | 2601830  | 100%     |
| 2572688  | 100%     | 2601781  | 100%     | 2601831  | 100%     |
| 2572689  | 100%     | 2601782  | 100%     | 2601832  | 100%     |
| 2572690  | 100%     | 2601783  | 100%     | 2601833  | 100%     |
| 2572691  | 100%     | 2601784  | 100%     | 2601834  | 100%     |
| 2572692  | 100%     | 2601785  | 100%     | 2601835  | 100%     |
| 2572693  | 100%     | 2601786  | 100%     | 2601836  | 100%     |
| 2572694  | 100%     | 2601787  | 100%     | 2601837  | 100%     |
| 2572695  | 100%     | 2601788  | 100%     | 2601838  | 100%     |
| 2572696  | 100%     | 2601789  | 100%     | 2601839  | 100%     |
| 2572697  | 100%     | 2601790  | 100%     | 2601840  | 100%     |
| 2572698  | 100%     | 2601791  | 100%     | 2601841  | 100%     |
| 2572699  | 100%     | 2601792  | 100%     | 2601862  | 100%     |
| 2572700  | 100%     | 2601793  | 100%     | 2601863  | 100%     |
| 2572701  | 100%     | 2601794  | 100%     | 2601864  | 100%     |
| 2572702  | 100%     | 2601795  | 100%     | 2601865  | 100%     |
| 2572703  | 100%     | 2601796  | 100%     | 2601866  | 100%     |
| 2579261  | 100%     | 2601797  | 100%     | 2601867  | 100%     |
| 2579262  | 100%     | 2601798  | 100%     | 2601868  | 100%     |
| 2579263  | 100%     | 2601799  | 100%     | 2601869  | 100%     |
| 2579264  | 100%     | 2601803  | 100%     | 2601870  | 100%     |
| 2579265  | 100%     | 2601804  | 100%     | 2601871  | 100%     |
| 2579266  | 100%     | 2601805  | 100%     | 2601872  | 100%     |
| 2579267  | 100%     | 2601806  | 100%     | 2601918  | 100%     |
| 2579268  | 100%     | 2601807  | 100%     | 2601922  | 100%     |
| 2579269  | 100%     | 2601808  | 100%     | 2603761  | 100%     |
| 2579270  | 100%     | 2601809  | 100%     | 2603762  | 100%     |

Canadian Tenement Schedule - Tansim

| Tenement | Interest | Tenement | Interest | Tenement | Interest |
|----------|----------|----------|----------|----------|----------|
| 2603763  | 100%     | 2603809  | 100%     |          |          |
| 2603764  | 100%     | 2603810  | 100%     |          |          |
| 2603765  | 100%     | 2603811  | 100%     |          |          |
| 2603766  | 100%     | 2603812  | 100%     |          |          |
| 2603767  | 100%     | 2603813  | 100%     |          |          |
| 2603768  | 100%     | 2603814  | 100%     |          |          |
| 2603769  | 100%     | 2603815  | 100%     |          |          |
| 2603770  | 100%     | 2603816  | 100%     |          |          |
| 2603771  | 100%     | 2603817  | 100%     |          |          |
| 2603772  | 100%     | 2603818  | 100%     |          |          |
| 2603773  | 100%     | 2603819  | 100%     |          |          |
| 2603774  | 100%     | 2603820  | 100%     |          |          |
| 2603775  | 100%     | 2603821  | 100%     |          |          |
| 2603776  | 100%     | 2603822  | 100%     |          |          |
| 2603777  | 100%     | 2603823  | 100%     |          |          |
| 2603778  | 100%     | 2603824  | 100%     |          |          |
| 2603779  | 100%     | 2603825  | 100%     |          |          |
| 2603780  | 100%     | 2603826  | 100%     |          |          |
| 2603781  | 100%     | 2603827  | 100%     |          |          |
| 2603782  | 100%     | 2603828  | 100%     |          |          |
| 2603783  | 100%     | 2603829  | 100%     |          |          |
| 2603784  | 100%     | 2603830  | 100%     |          |          |
| 2603785  | 100%     | 2603831  | 100%     |          |          |
| 2603786  | 100%     | 2603832  | 100%     |          |          |
| 2603787  | 100%     | 2603833  | 100%     |          |          |
| 2603788  | 100%     | 2603834  | 100%     |          |          |
| 2603789  | 100%     | 2603835  |          |          |          |
| 2603790  | 100%     |          |          |          |          |
| 2603791  | 100%     |          |          |          |          |
| 2603792  | 100%     |          |          |          |          |
| 2603793  | 100%     |          |          |          |          |
| 2603794  | 100%     |          |          |          |          |
| 2603795  | 100%     |          |          |          |          |
| 2603796  | 100%     |          |          |          |          |
| 2603797  | 100%     |          |          |          |          |
| 2603798  | 100%     |          |          |          |          |
| 2603799  | 100%     |          |          |          |          |
| 2603800  | 100%     |          |          |          |          |
| 2603801  | 100%     |          |          |          |          |
| 2603802  | 100%     |          |          |          |          |
| 2603803  | 100%     |          |          |          |          |
| 2603804  | 100%     |          |          |          |          |
| 2603805  | 100%     |          |          |          |          |
| 2603806  | 100%     |          |          |          |          |
| 2603807  | 100%     |          |          |          |          |
| 2603808  | 100%     |          |          |          |          |

## Appendix 5B

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

Name of entity

|                              |
|------------------------------|
| <b>SAYONA MINING LIMITED</b> |
|------------------------------|

ABN

|                       |
|-----------------------|
| <b>26 091 951 978</b> |
|-----------------------|

Quarter ended ("current quarter")

|                          |
|--------------------------|
| <b>30 SEPTEMBER 2021</b> |
|--------------------------|

| Consolidated statement of cash flows                      | Current quarter<br>\$A'000 | Year to date<br>(3 months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| <b>1. Cash flows from operating activities</b>            |                            |                                       |
| 1.1 Receipts from customers                               |                            |                                       |
| 1.2 Payments for  |                            |                                       |
| (a) exploration & evaluation                              | (3,051)                    | (3,051)                               |
| (b) development   |                            |                                       |
| (c) production  |                            |                                       |
| (d) staff costs   | (360)                      | (360)                                 |
| (e) administration and corporate costs                    | (925)                      | (925)                                 |
| 1.3 Dividends received (see note 3)                       |                            |                                       |
| 1.4 Interest received                                     | 3                          | 3                                     |
| 1.5 Interest and other costs of finance paid              |                            |                                       |
| 1.6 Income taxes paid                                     |                            |                                       |
| 1.7 Government grants and tax incentives                  | 42                         | 42                                    |
| 1.8 Other –   |                            |                                       |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(4,291)</b>             | <b>(4,291)</b>                        |

|  |          |          |
|--|----------|----------|
| <b>2. Cash flows from investing activities</b> |          |          |
| 2.1 Payments to acquire or for:                |          |          |
| (a) entities                                   | (74,994) | (74,994) |
| (b) tenements                                  |          |          |
| (c) property, plant and equipment              | (44)     | (44)     |
| (d) exploration & evaluation                   |          |          |
| (e) investments                                |          |          |
| (f) other non-current assets                   |          |          |

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

| <b>Consolidated statement of cash flows</b> |   | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(3 months)<br/>\$A'000</b> |
|---|---|------------------------------------|--|
| 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</b>                                  | <b>Net cash from / (used in) investing activities</b> | <b>(75,038)</b>                    | <b>(75,038)</b>                                |

|             |   |               |               |
|-------------|---|---------------|---------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>   |               |               |
| 3.1         | Proceeds from issues of equity securities (excluding convertible debt securities)       | 66,849        | 66,849        |
| 3.2         | Proceeds from issue of convertible debt securities                                      |               |               |
| 3.3         | Proceeds from exercise of options   | 2,081         | 2,081         |
| 3.4         | Transaction costs related to issues of equity securities or convertible debt securities | (2,508)       | (2,508)       |
| 3.5         | Proceeds from borrowings  |               |               |
| 3.6         | Repayment of borrowings   |               |               |
| 3.7         | Transaction costs related to loans and borrowings                                       |               |               |
| 3.8         | Dividends paid  |               |               |
| 3.9         | Other   |               |               |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                                   | <b>66,422</b> | <b>66,422</b> |

|            |  |               |               |
|------------|--|---------------|---------------|
| <b>4.</b>  | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |               |               |
| 4.1        | Cash and cash equivalents at beginning of period                             | 35,503        | 35,503        |
| 4.2        | Net cash from / (used in) operating activities (item 1.9 above)              | (4,291)       | (4,291)       |
| 4.3        | Net cash from / (used in) investing activities (item 2.6 above)              | (75,038)      | (75,038)      |
| 4.4        | Net cash from / (used in) financing activities (item 3.10 above)             | 66,422        | 66,422        |
| 4.5        | Effect of movement in exchange rates on cash held                            | (206)         | (206)         |
| <b>4.6</b> | <b>Cash and cash equivalents at end of period</b>                            | <b>22,390</b> | <b>22,390</b> |

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

| <b>5. Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|--|------------------------------------|-------------------------------------|
| 5.1 Bank balances  | 22,290                             | 35,403                              |
| 5.2 Call deposits  | 100                                | 100                                 |
| 5.3 Bank overdrafts  |                                    |                                     |
| 5.4 Other (provide details)  |                                    |                                     |
| <b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>   | <b>22,390</b>                      | <b>35,503</b>                       |

| <b>6. Payments to related parties of the entity and their associates</b>                    | <b>Current quarter<br/>\$A'000</b> |
|---|------------------------------------|
| 6.1 Aggregate amount of payments to related parties and their associates included in item 1 | 184                                |
| 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

| <b>7. Financing facilities</b><br><i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i><br><i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>   | <b>Total facility amount at quarter end<br/>\$A'000</b> | <b>Amount drawn at quarter end<br/>\$A'000</b> |
|---|---|--|
| 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. |   |  |

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

| <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)   | 4,333          |
| 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)  | 4,333          |
| 8.4 Cash and cash equivalents at quarter end (item 4.6)   | 22,390         |
| 8.5 Unused finance facilities available at quarter end (item 7.5)   |                |
| 8.6 Total available funding (item 8.4 + item 8.5)   | 22,390         |
| 8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b><br>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. | 5.2            |

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: N/A

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: N/A

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: N/A

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.

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

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

---

*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.