

**31 January 2023**

## **DECEMBER 2022 QUARTERLY ACTIVITIES REPORT**

### **Quarter Highlights**

#### **Québec, Canada**

- **North American Lithium (NAL) restart accelerates towards first production in late Q1, 2023**
- **Pre-feasibility Study (PFS) launched for production of lithium carbonate at NAL**
- **Strategic acquisition and earn-in of 48 claims adjacent to NAL (Vallée Lithium Project)**
- **PFS commenced for Moblan Lithium Project, targeting development of lithium mine and concentrator**
- **Further acquisition of 1,824 claims neighbouring Moblan, expanding northern lithium hub**

#### **Western Australia**

- **Joint Venture with Morella Corporation Limited (ASX:1MC) finalised to accelerate lithium exploration in the Pilbara and South Murchison**

**Emerging lithium producer Sayona Mining Limited (ASX:SYA; OTCQB:SYAXF)** has advanced closer towards the restart of lithium production at its flagship North American Lithium (NAL) operation in Québec, Canada, while also expanding the Company's northern lithium hub, as highlighted in this Quarterly Activities and Cashflow Report for the December quarter 2022.

### **Québec Projects - Abitibi lithium hub**

#### **North American Lithium (NAL) - Restart on track**

Activities during the quarter were focused on the NAL restart, with first production on track for late Q1, 2023.

Progress towards the concentrator restart had reached nearly 90% by the end of December 2022 for engineering and construction, with all critical equipment received together with the necessary environmental approvals.

On 16 January 2023, 400 tonnes of spodumene ore were successfully processed as part of the concentrator commissioning, a new milestone in the restart process at NAL (refer ASX release 31 January 2023).

Sayona is committed to maintaining the highest standards of health and safety and environmental management, while also engaging closely with the local community, including First Nations communities. For example, 90% of the NAL workforce is from the Abitibi-Témiscamingue region, of which a third are female. Similarly, more than C\$40 million has been invested with local suppliers since January 2022.

Mining contractors, Québec-based L. Fournier & Fils commenced operations in October 2022. Currently there are approximately 278 workers on-site, including contractors, with Sayona having recruited a number of senior personnel (refer ASX release 24 November 2022) including appointing Guy Belleau as the new CEO of Sayona's Québec subsidiary.

Also in October, Québec company, Solurail Logistique Inc, was awarded a C\$43 million contract to transport spodumene concentrate from the NAL operation to port. The contract includes the rental of 110 rolling stock (railway vehicles), with the equipment to be made available for the restart of NAL production.

Sayona announced in October 2022 the launch of a PFS to consider the potential for lithium carbonate production at the NAL operation. This will be undertaken in conjunction with its partner, Piedmont. Major engineering firm Hatch will undertake the lithium carbonate PFS, targeting completion by April 2023, following the recommencement of spodumene concentrate production at NAL.

Significantly, the NAL complex already includes about 50% of the facilities required to produce lithium carbonate, having been partially constructed by NAL's previous owners.

On commencement of operation of a lithium conversion plant in Québec, spodumene concentrate produced from NAL will be preferentially delivered to that conversion plant upon the start of production.

In November 2022, the Company announced a strategic acquisition and earn-in agreement with Jourdan Resources Inc (TSXV:JOR) over its adjacent Vallée Lithium Project. This provides the opportunity to potentially swiftly expand the NAL resource base and potentially future mine production capacity.

The Vallée project comprises 48 claims covering around 1,997 ha, closely neighbouring the NAL mine tenure with 20 claims located within 500m of the mine boundary. In comparison, NAL's 19 claims cover some 582 ha.

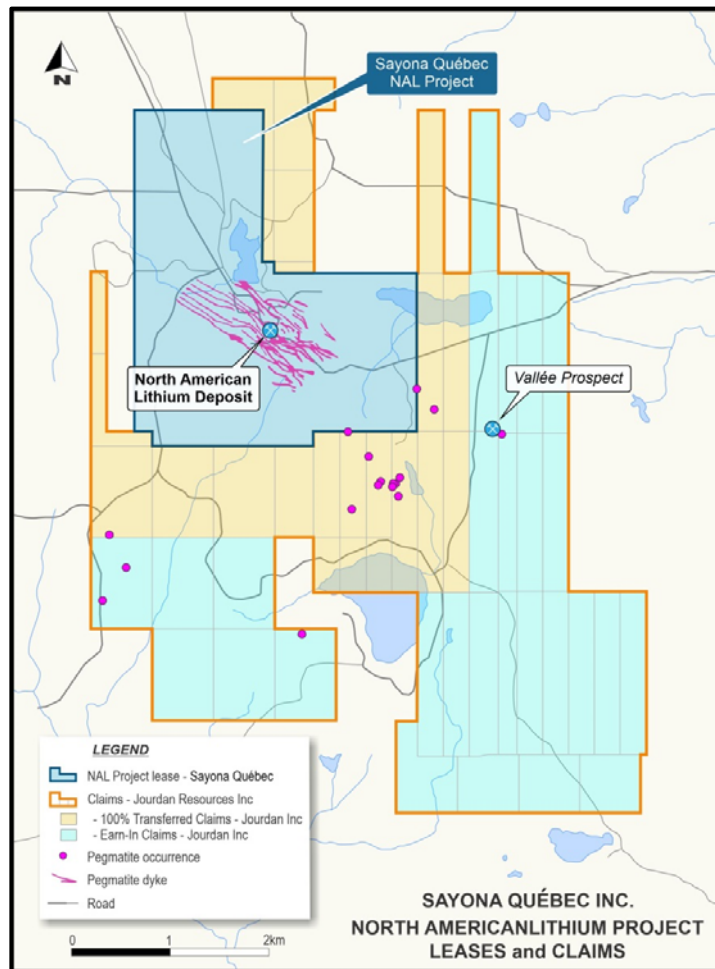
Under the agreement, Sayona subsidiary NAL will acquire 20 claims outright, spanning 755.3 ha, providing an immediate extension to the NAL tenement area and allowing for potential future infrastructure expansion at the NAL mine and its processing facility. Exploration targets are located close to and along strike from the NAL orebody.

NAL also has the right to earn up to a 51% stake in the Vallée project's remaining 28 claims, covering 1,241.57 ha.

NAL can earn up to 50% equity by spending C\$4 million within the first year to earn a 25% equity stake and an additional C\$6M within two years to earn a further 25%. A further 1% equity is available if Sayona prepares a feasibility study and arranges funding for the construction of a mine at Vallée.

Sayona will aim to treat any ore obtained within the earn-in area at its NAL operation, with NAL and Jourdan forming a joint venture to develop the Vallée project and its potential integration into NAL.

Sayona’s Québec subsidiary also acquired a 9.99% shareholding in Jourdan through a private placement for approximately C\$1.5 million and has the right to appoint a director on Jourdan’s board.



**Figure 1: View of NAL mine area and Jourdan’s Vallée claims**

Sayona also continued its community engagement activities during the quarter, including partnering in a “Business Exchange Day” combined with the Interregional Economic Circle of Indigenous Peoples and participating in the first in-person Québec Mines Convention since 2019.

NAL comprises 19 contiguous claims covering 582.31 ha (excluding the Vallée transaction), situated in La Corne township in Québec’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 project. Authier is a hard rock spodumene lithium deposit.

The Abitibi lithium hub combined with the Company’s emerging Northern Québec Hub represents North America’s largest lithium (spodumene) resource base.

### Authier Lithium Project

The Authier Lithium Project is a hard rock spodumene lithium deposit set to play a key role in the Company’s planned multi-project Abitibi lithium hub, as a source of supplementary ore for processing at NAL when production restarts.

Following the acquisition of the NAL mine and concentrator, the Authier project's operating strategy was revised to include only mining operations and waste and water management on-site. The Authier mine will serve as a supplementary or secondary mine and will deliver ore to NAL for processing.

Authier is situated 45 kilometres north-west of the city of Val d’Or, a major mining service centre, and is easily accessed by a rural road network connecting to a national highway a few kilometres east of the project site.



Figure 2: Sayona’s Lithium Projects, Québec, Canada

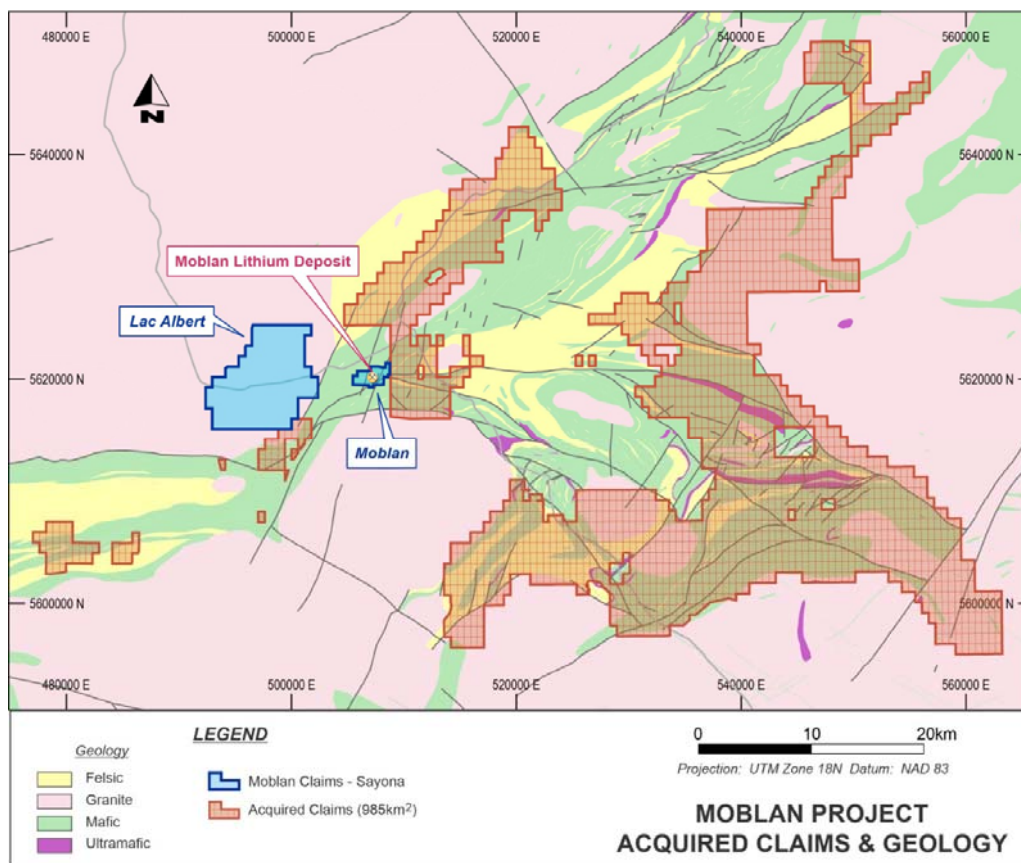
### Tansim Lithium Project

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.

Sayona is focused on ensuring the project generates maximum benefits for all local stakeholders, including First Nations, together with minimising any environmental impacts. The Company continues to engage with stakeholders to ensure a transparent and collaborative process.

### Moblan Lithium Project (Moblan)

Sayona’s Moblan Lithium Project expanded further during the quarter, becoming an increasingly strategic asset at the centre of the Company’s northern lithium hub. In November 2022, Sayona announced the acquisition of an addition 1,824 claims covering 985 square kilometres directly adjacent to the Moblan Project under an agreement with Troilus Gold Corp. (TSX:TLG). The claim area is more than 200 times the size of the existing Moblan project.



**Figure 3: Moblan Lithium Project and Troilus claims**

Under the agreement, Sayona Mining’s Canadian subsidiary Sayona Inc. has acquired a 100% interest in the claims, which have not been extensively explored for lithium and offer potential for eastwards extensions

to the Moblan mineralisation, as well as regional targets in the emerging lithium district. Sayona paid C\$40 million worth of SYA stock as consideration for the claims.

Concurrently with the claims acquisition, Sayona agreed to subscribe for approximately C\$4.8 million worth of common shares of Troilus on a non-brokered private placement basis, bringing Sayona's investment in Troilus to approximately 9.26%. Troilus will also receive a 2% net smelter return royalty ("NSR") on all mineral products from the acquired claims.

Drilling has continued at Moblan during the northern hemisphere winter, with results pending.

In October, Sayona announced the launch of a PFS for Moblan, targeting the development of a lithium mine and concentrator.

Québec company, InnovExplo, will conduct the PFS, targeting completion by May 2023. This is expected to be followed by a definitive feasibility study, with a target completion date of October 2023, spurring the development of a new northern hub for the Company.

The study will examine the development of a mine and concentrator north of Chibougamau, near Mistissini, with the Moblan project serving as the centre of Sayona's northern lithium hub, including the emerging Lac Albert Project.

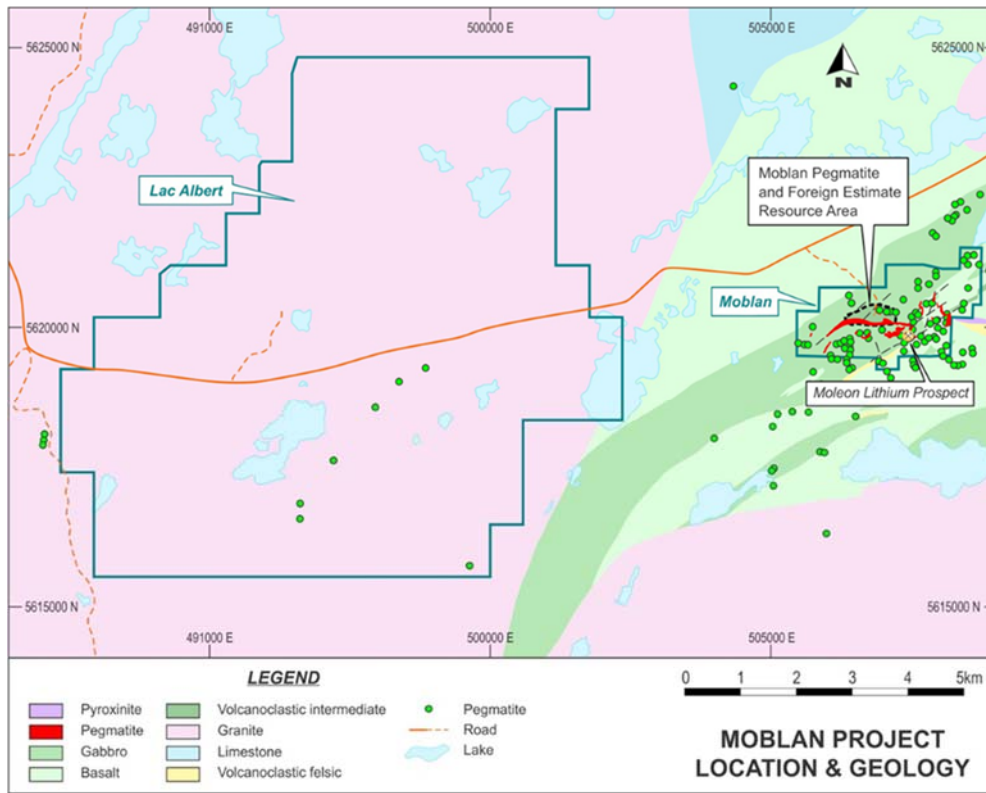
Based in Val d'Or, InnovExplo is a leader in mineral resource and reserve estimation, mining engineering, economic studies and mining optimisation. The company will be assisted in its work by the firms SNC-Lavalin, Primero and Journeaux Assoc. InnovExplo will work closely with Sayona's Québec team.

Moblan is located in the Eeyou-Istchee James Bay region of northern Québec, a proven lithium mining province which hosts established lithium resources. The project covers around 433 ha for a total of 20 claims and is held in a joint venture with SOQUEM Inc (Sayona 60%/SOQUEM 40%).

### Lac Albert Project

In January 2022, Sayona announced the acquisition of 121 new claims in the vicinity of Moblan known as the Lac Albert Project. Located 3.5km west of the Moblan project, in the same proven lithium mining province, the new claims span 6,592 hectares and will be assessed for lithium pegmatite occurrences.

These claims are separate to the current Moblan joint venture agreement. No activities were undertaken at Lac Albert during the quarter.



**Figure 4: Moblan and Lac Albert projects**

## Western Australian Projects

Sayona's leases in Western Australia comprise lithium and gold prospective tenure in the Pilbara and Yilgarn areas and a graphite project in the East Kimberley.

Sayona's Pilbara portfolio comprises 12 leases covering 1,016 sq km. Six of the tenements are under the Morella Lithium Joint Venture, with lithium rights to the remaining six leases held 100% by Sayona. Ten of the Pilbara tenements have associated gold rights which are held 100% by Sayona.

The package is located in the Pilgangoora lithium district and is proximal to De Grey Mining's 10.6 Moz Au Mallina Project, which includes the 8.5Moz Au Hemi gold discovery, as shown in Figure 5 below.

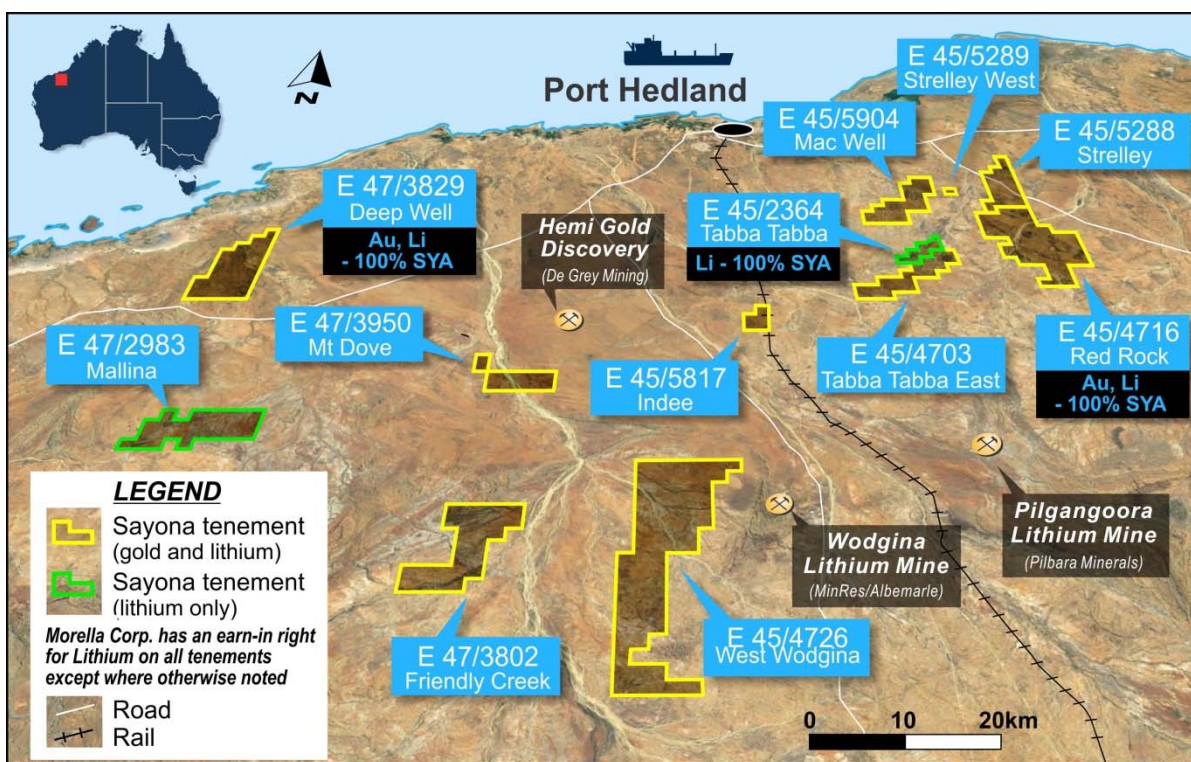


Figure 5: Sayona tenements in Western Australia

## Morella Farm-In and Joint Venture

During the quarter, Morella Corporation Limited (ASX:1MC) gave notice that it had completed its earn-in requirements under the farm-in agreement with Sayona. Morella has expended over \$1.5m within the three year period as required under the agreement.

Both parties will now enter a formal Joint Venture agreement, with Morella being manager and holding a 51% equity stake and Sayona 49%. The JV comprises lithium rights to six tenements in the Pilbara (covering 545 sq km) and two tenements in the South Murchison (covering 48 sq km). Sayona may elect to contribute pro-rata to JV exploration in order to maintain its equity, or choose to dilute.



Sayona welcomes Morella's satisfaction of its earn-In requirements and the formation of the JV, and the planned accelerated activities within the JV tenements. Areas include the highly prospective Mallina, Tabba Tabba and Mt Edon lithium projects.

### Pilbara JV Activities

During the quarter, Morella reported results for a five-hole, 1,261m drill program of RC and diamond drilling at the Mallina Lithium Project (refer 1MC ASX release 7 December 2022).

Morella drilling in the southern Pegmatite 2 Prospect area returned lithium mineralised pegmatite in hole M22\_004\_D (which was drilled down dip), intercepting 16.4m @ 1.24% Li<sub>2</sub>O from 4.6m and 1.0m @ 1.18% Li<sub>2</sub>O from 46m, confirming the previous successful drilling completed by Sayona in this area.

Future exploration programs include:

- Detailed soil sampling accompanied by geological mapping and rock chips to follow-up highly anomalous lithium and rubidium in prior soil and rock chip geochemistry
- Review and refine existing aeromagnetic and radiometric data to support surface geochemical anomalies
- Additional RC and diamond drilling to test thicker intercepts of spodumene-bearing pegmatites to test thickness, direction and dip of the pegmatites.

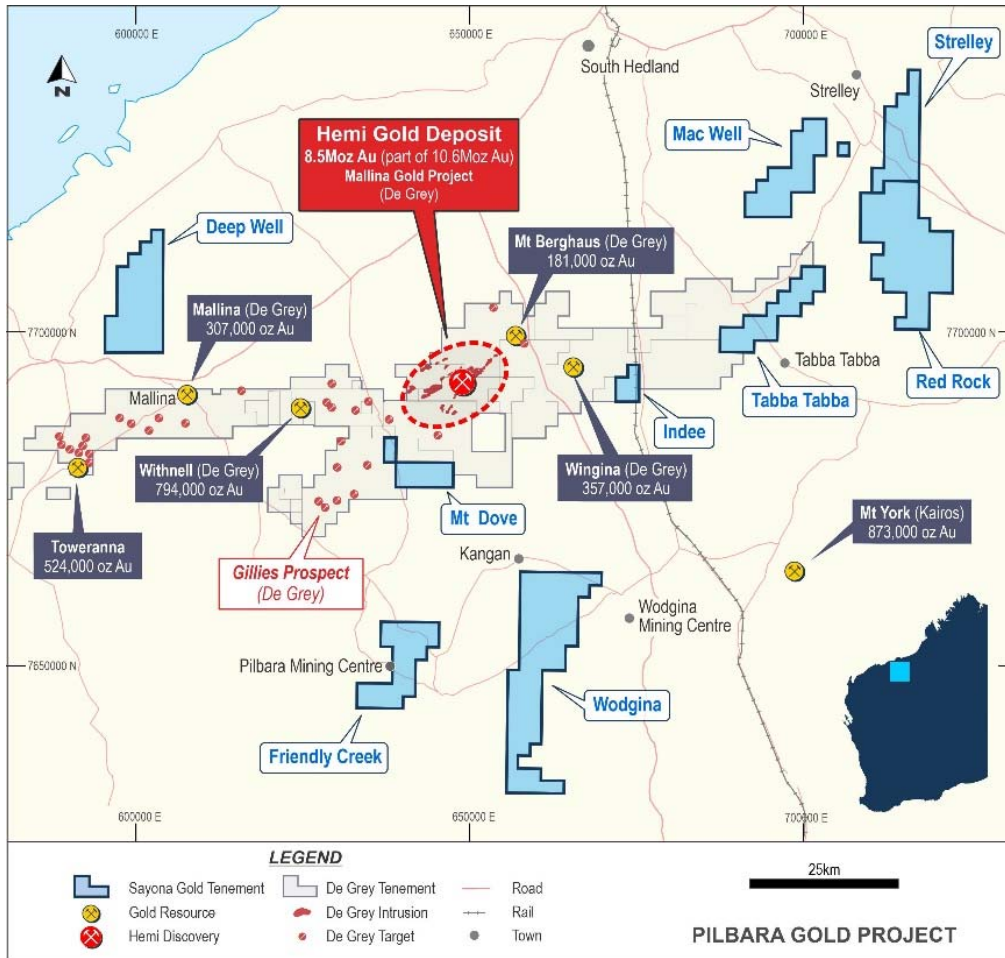
### South Murchison JV Activities

At the Mt Edon project in the South Murchison, Morella completed a program of ground penetrating radar geophysical surveying, which has identified a significant increase in pegmatite targets. In addition to 53 outcropping pegmatites previously mapped, the DPRG work identified 130 potential pegmatite targets at depth. Four areas have been targeted for further exploration.

### Pilbara Gold Exploration (Sayona 100%)

Sayona's 10 Pilbara gold leases are prospective for intrusion-related gold mineralisation, similar in style to that identified at the Hemi gold 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. Tenure and regional gold mineralisation is displayed in Figure 6 below.



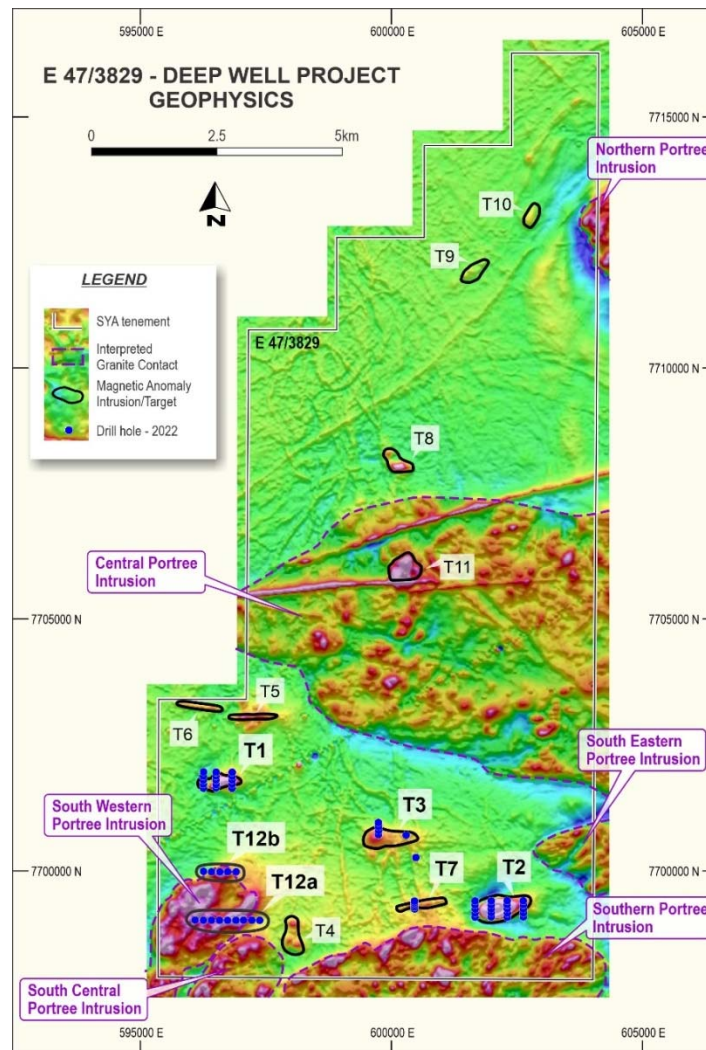
**Figure 6: Pilbara gold leases, WA**

### Deep Well Project

The Deep Well Project (E47/3829) covers Mallina Basin sediments intruded by the Portree Suite intrusive rocks, which are of the same age as those associated with the Hemi deposit. Much of the tenement area is obscured by surficial cover and airborne magnetic surveying has been used to identify Hemi-style magnetic gold targets.

A maiden 60 drillhole air core program for 1,677m, completed in May 2022, identified encouraging results at the T1, T2 and T12a targets, with altered intrusive rocks in a similar geological setting to the Hemi gold deposit. Further, deeper drilling is planned to test the multiple target areas.

Statutory and heritage clearance requirements have now been met for this work to proceed. Drill collars and targets are displayed in Figure 7 below.



**Figure 7: Deep Well Project with RTP magnetics and targets**

A geochemical soil sampling program of 650 samples, completed over the southern portion of the Deep Well tenement, has been analysed by LabWest for low level gold analysis using the CSIRO ultrafine technique. Besides gold, analysis determined lithium and other pegmatite pathfinder elements.

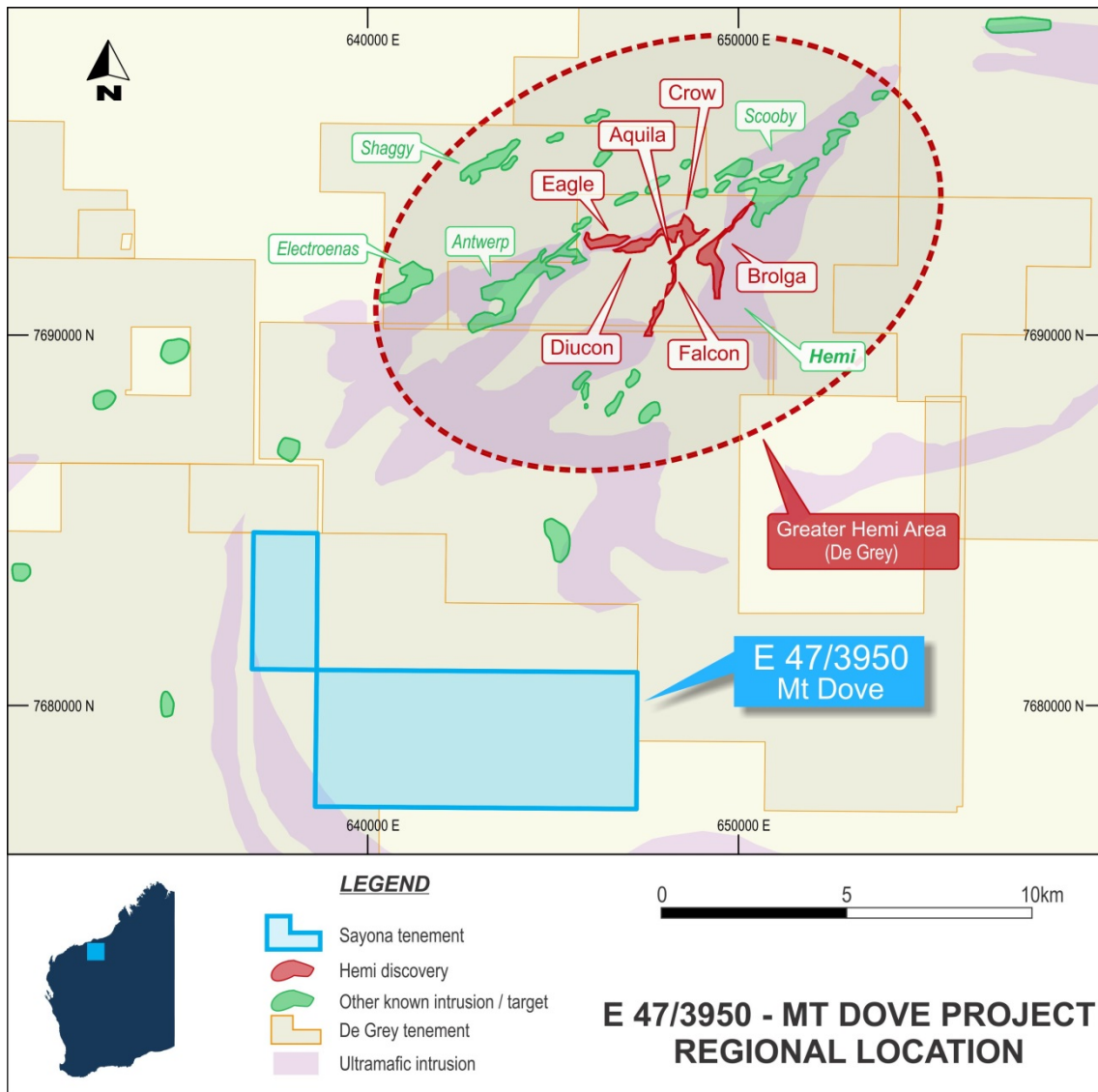
Results were returned during the quarter and have identified areas for expanded and infill geochemical sampling. When completed, this will allow targeting for follow up air-core drilling of the geochemical anomalies as well as further testing of magnetic targets within the greater Deep Well lease.

Sayona holds 100% of the lithium rights within Deep Well and exploration is proceeding with an awareness of the lithium potential of the project area. The tenement has similar geology to the Mallina tenement (E47/2983) to the south, where Sayona has identified spodumene pegmatite mineralisation in its past exploration work.

**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 3,500m air-core/RC drill program has been planned to test magnetic features and structural targets for bedrock gold anomalism. During the quarter, approval for heritage surveying over the lease was given and planning for the survey in early 2023 is underway.



**Figure 8: Mt Dove Project and surrounding De Grey targets and Hemi Discovery**

## Sayona Lithium Tenure – Pilbara Region

Sayona holds the lithium rights at the Deep Well, Tabba Tabba, Red Rock, Mt Dove, Friendly Creek and Indee tenements, which cover a total of 471 sq km. The most advanced of the areas is the Tabba Tabba Project, where exploration has identified lithium-cesium-tantalum (LCT) type pegmatites. The other project areas are more grassroots in nature.

### Tabba Tabba Project, E45/2364

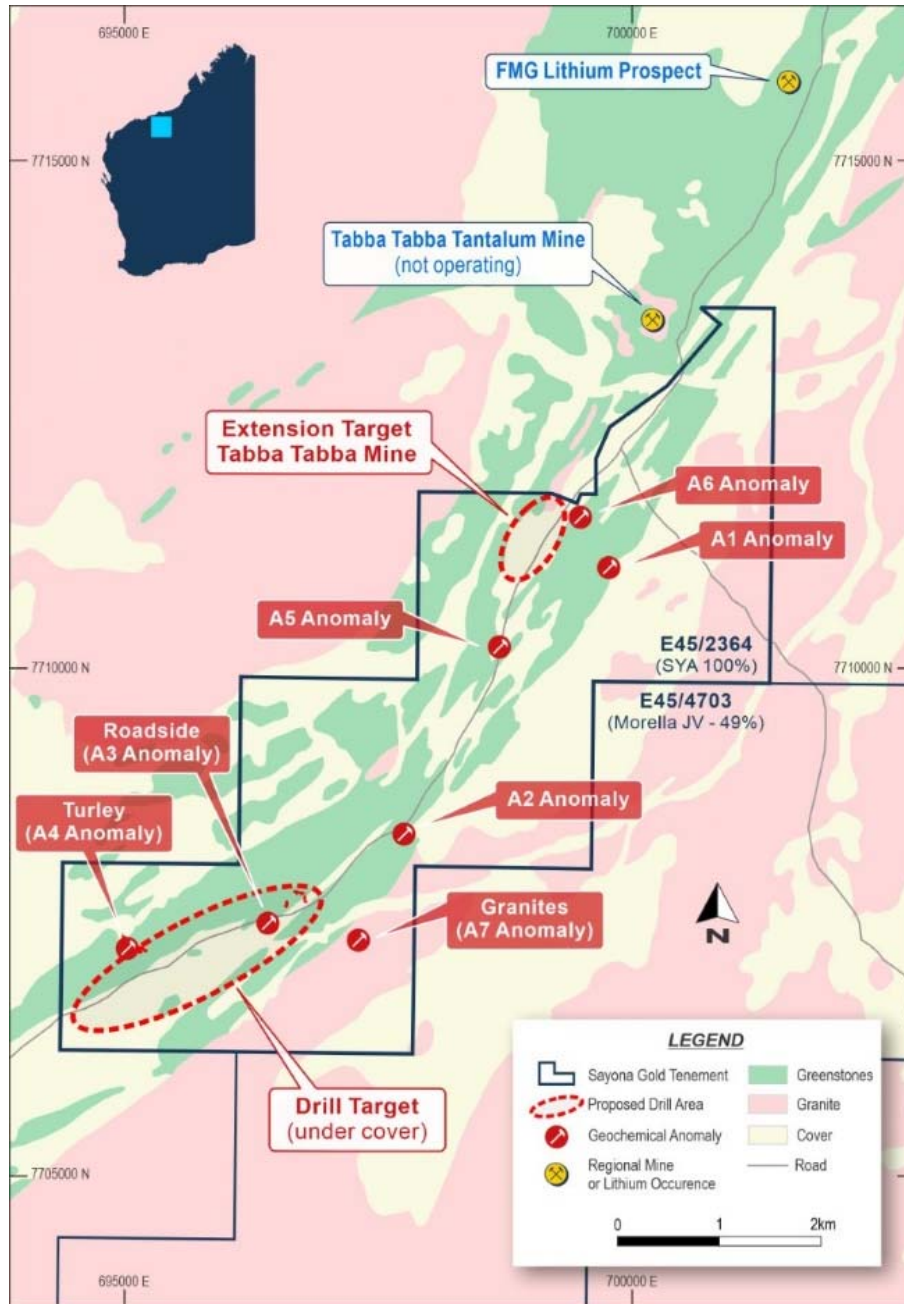
The Tabba Tabba Project (E45/2364) covers greenstone and granite stratigraphy and is adjacent to the southern flank of the Tabba Tabba tantalum mine (not operational). Sayona's prior work over E45/2364 has identified pegmatite and lithium geochemical anomalism characteristic of LCT type pegmatites, which remain untested by drilling.

During the quarter, a report on heritage surveying at the Turley-Roadside prospect area and the southern extension of the Tabba Tabba tantalum mine cleared all areas for drilling activities.

Planned drilling includes testing the known pegmatites in the south of the lease at the Turley and Roadside prospects, as well adjacent areas for potential lithium pegmatite under surficial cover. A second area cleared during heritage work includes the southern strike extension to the Tabba Tabba Tantalum Mine pegmatite corridor.

Within E45/2364, the geology of this area is obscured under cover. Drilling will test for potential spodumene rich zonation within the area of the pegmatite system.

The tenement and target areas are displayed in Figure 9 below.

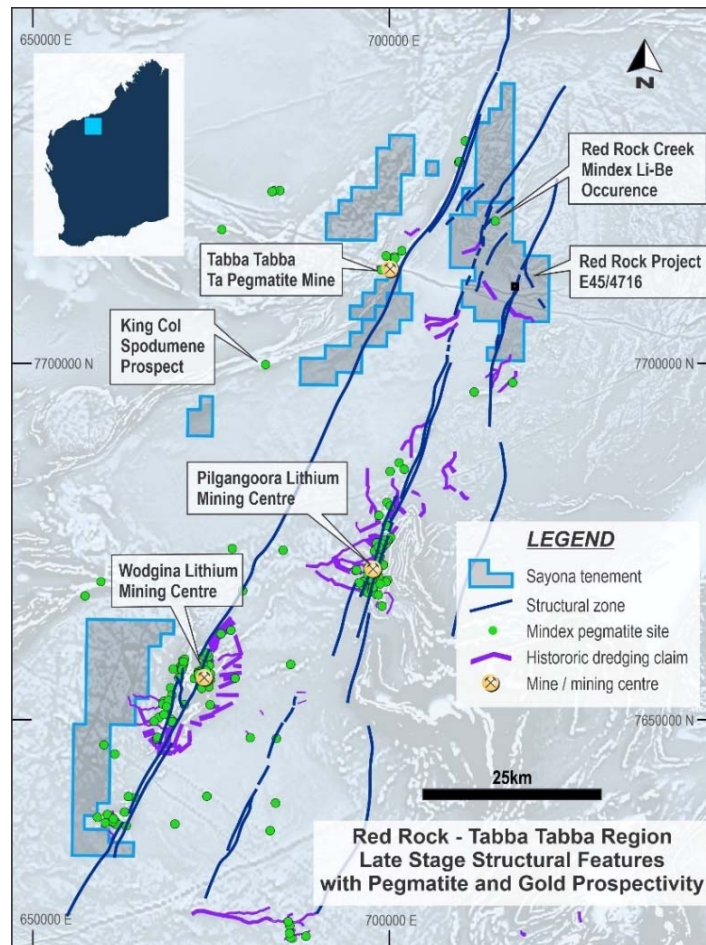


**Figure 9: Tabba Tabba Project – Geochemistry and Targets**

**Red Rock Project, E45/4716**

Within the Red Rock Project, a number of north-northeast trending structures have been identified. At a regional scale these appear associated with rare metal LCT pegmatite occurrences and historic dredging claims which targeted tin and tantalum, metals commonly associated with lithium pegmatites. The structures are considered a favourable conduit for pegmatite emplacement and are a key target for exploration work.

Figure 10 below displays the structural setting of the Red Rock project area.



**Figure 10: Red Rock region lithium prospectivity**

During the quarter, results from a 782 soil sample geochemical program at Red Rock were returned, identifying several areas for follow up exploration and infill sampling.

### East Kimberley Graphite Project

Sayona’s past exploration at the East Kimberley project has identified coarse flake graphite mineralisation hosted in sediments of the Tickalara Metamorphics. During the quarter, a site assessment to the area was conducted for environmental monitoring and to identify favourable drilling locations to obtain graphite mineralisation for metallurgical testwork.

## Corporate

### New CEO announced for Sayona in Québec

In December, Sayona announced the appointment of Guy Belleau as Chief Executive Officer of its Québec subsidiary, Sayona Inc., effective 1 January 2023. Mr Belleau replaces Guy Laliberté, who will remain with the company as strategic advisor to the Managing Director and CEO, Brett Lynch.

Since joining Sayona in 2019, Mr Laliberté presided over a major expansion of the Company's footprint in Québec, overseeing the acquisition and restart of the NAL operation, the acquisition of the Moblan and Lac-Albert projects, and the development of Sayona's two lithium clusters in Abitibi-Témiscamingue and Eeyou Istchee Baie-James.

Mr Belleau joined Sayona in 2022 as Abitibi-Témiscamingue Hub President. An engineer by training, he has more than 30 years' experience in the mining industry, having held strategic positions in some of the largest mining companies in Québec and Canada.

These include serving as Chief Operating Officer for ArcelorMittal Mines Canada, General Manager of Mining for Falco Resources, and General Manager of Mining for Goldcorp's Eleonore mine, where he oversaw all stages of exploration, construction and operation.

He has also served on the Board of Directors of the Québec Mining Association and until recently served as Chairman of the Board of Directors of the National Institute of Mining of Québec since 2018.

Mr Belleau will continue to execute the strategy and business plan that has positioned Sayona as a North American leader in the energy transition.

### Annual General Meeting

The company's Annual General Meeting was held in Brisbane on 16 November 2022. All resolutions were passed by shareholders. A recording of the Managing Director's presentation to the AGM is available via Sayona's YouTube channel (<https://www.youtube.com/@sayonamining>).

### Change of Company Address

In January 2023, post quarter-end, Sayona announced a change in Registered Office to the following:

Office address: Level 28, 10 Eagle Street, Brisbane, Qld, 4000; Postal: GPO Box 1638, Brisbane, Qld, 4001.

The Company's phone and email contacts remain unchanged (phone: +61 7 3369 7058; email: [info@sayonamining.com.au](mailto:info@sayonamining.com.au)).



## New Company websites

Sayona launched a new corporate website during the quarter, highlighting its transformation into the leading producer of lithium in North America (<https://sayonamining.com.au/>).

Similarly, Sayona's Québec subsidiary launched a new website, reflecting the Company's commitment to Québec, helping to facilitate the province's clean energy transition and positioning it as a leader in the North American battery sector (<https://www.sayona.ca/>).

## Noosa Mining Investor Conference presentation

Sayona presented at the November 2022 Noosa Mining Investor Conference, held in Noosa, Queensland. A copy of the presentation by Managing Director Brett Lynch is available via the Company's website. The Company plans an expanded program of investor relations activities in 2023 in both Australia, North America and elsewhere as reflecting its status as an S&P/ASX200 company and leading lithium producer in North America.

## Appendix 5B Disclosures

Cash on hand at the end of the quarter was approximately \$97,853,000

During the quarter, the Company made payments of \$199,000 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 \$12,797,000 on exploration and project evaluation costs, primarily on its Québec lithium projects. In addition, the Company spent approximately \$16,547,000 on mine development and approximately \$30,828,000 on the NAL plant refurbishment and the acquisition of plant and equipment.

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

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## 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). The Company also holds a 60% stake in the Moblan Lithium Project in northern Québec.

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 Morella Corporation (ASX:1MC).

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

#### **References to Previous ASX Releases**

- New NAL milestone with successful ore crushing trial – 31 January 2023
- NAL restart accelerates towards target – 16 January 2023
- NAL restart advances towards target – 20 December 2022
- Final permit awarded for NAL restart – 12 December 2022
- NAL restart picks up speed – 24 November 2022
- Northern lithium hub expands in major acquisition – 17 November 2022
- Acquisition offers potential increase to NAL resource – 14 November 2022
- Québec rail contract signed for NAL shipments – 18 October 2022
- Moblan PFS targets Québec lithium expansion – 5 October 2022
- PFS launched for NAL lithium carbonate production – 4 October 2022
- Quarterly Activities Report – 31 October 2022

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.

## 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	Granted	100%*	100%*
E45/5289	Strelley West	Granted	100%*	100%*
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 Morella Lithium Earn-in

Canadian Tenement Schedule - Authier		
Tenement	Location	Interest in Tenement
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%

**Canadian Tenement Schedule – Tansim (continued)**

Tenement	Interest	Tenement	Interest	Tenement	Interest
2440896	100%	2519278	100%	2572665	100%
2440897	100%	2519279	100%	2572666	100%
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%

**Canadian Tenement Schedule – Tansim (continued)**

Tenement	Tenement	Tenement	Tenement	Tenement	Tenement
2579267	100%	2603780	100%	2603808	100%
2579268	100%	2603781	100%	2603809	100%
2579269	100%	2603782	100%	2603810	100%
2579270	100%	2603783	100%	2603811	100%
2601806	100%	2603784	100%	2603812	100%
2601807	100%	2603785	100%	2603813	100%
2601808	100%	2603786	100%	2603814	100%
2601809	100%	2603769	100%	2603815	100%
2601918	100%	2603787	100%	2603816	100%
2601922	100%	2603788	100%	2603817	100%
2603761	100%	2603789	100%	2603818	100%
2603762	100%	2603790	100%	2603819	100%
2603763	100%	2603791	100%	2603820	100%
2603764	100%	2603792	100%	2603821	100%
2603765	100%	2603793	100%	2603822	100%
2603766	100%	2603794	100%	2603823	100%
2603767	100%	2603795	100%	2603824	100%
2603768	100%	2603796	100%	2603825	100%
2603769	100%	2603797	100%	2603826	100%
2603770	100%	2603798	100%	2603827	100%
2603771	100%	2603799	100%	2603828	100%
2603772	100%	2603800	100%	2603829	100%
2603773	100%	2603801	100%	2603830	100%
2603774	100%	2603802	100%	2603831	100%
2603775	100%	2603803	100%	2603832	100%
2603776	100%	2603804	100%	2603833	100%
2603777	100%	2603805	100%	2603834	100%
2603778	100%	2603806	100%	2603835	100%
2603779	100%				

**Canadian Tenement Schedule – Moblan**

Tenement	Interest	Tenement	Interest	Tenement	Interest
2331201	100%	2331208	100%	2331359	100%
2331202	100%	2331353	100%	2195586	100%
2331203	100%	2331354	100%	2195587	100%
2331204	100%	2331355	100%	2338382	100%
2331205	100%	2331356	100%	2378688	100%
2331206	100%	2331357	100%	2378689	100%
2331207	100%	2331358	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>31 DECEMBER 2022</b>
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<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		166
1.2 Payments for		
(a) exploration & evaluation	(12,797)	(17,878)
(b) development	(16,547)	(32,063)
(c) production		
(d) staff costs	(5,600)	(11,187)
(e) administration and corporate costs	(4,108)	(4,378)
1.3 Dividends received (see note 3)		
1.4 Interest received	1,021	1,476
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other – Security & performance related deposits	(18,764)	(18,586)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(56,794)</b>	<b>(82,450)</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	(30,828)	(31,312)
(d) exploration & evaluation		
(e) investments	(11,297)	(11,297)
(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 \$A'000</b>	<b>Year to date (6 months) \$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>(42,125)</b>	<b>(42,609)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	555	555
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	276	2,019
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
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 – Proceeds from minority interest investment in subsidiary.	31,859	31,859
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>32,690</b>	<b>34,433</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	159,234	183,809
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(56,794)	(82,450)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(42,125)	(42,609)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	32,690	34,433
4.5	Effect of movement in exchange rates on cash held	4,848	4,670
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>97,853</b>	<b>97,853</b>

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

<b>5. Reconciliation of cash and cash equivalents</b> 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 \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	16,678	148,298
5.2 Call deposits	81,175	10,936
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>97,853</b>	<b>159,234</b>

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	199
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> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <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 \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)	200,000	
7.4 <b>Total financing facilities</b>	<b>200,000</b>	
7.5 <b>Unused financing facilities available at quarter end</b>		<b>193,550</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.		

The Company entered into an At-the-Market Subscription Agreement (ATM) (previously referred to as a Controlled Placement Agreement (CPA)) with Acuity Capital on 29 October 2019. On 29 April 2021 the parties agreed to increase the ATM limit from \$3 million to a new limit of \$15 million and to extend the expiry date of the ATM to 31 July 2023. On 1 March 2022 the Company announced it had agreed to increase the ATM limit to a new limit of \$50 million.

On 5 August 2022 the parties agreed to further increase the ATM limit to a new limit of \$200 million and to extend the expiry date of the ATM to 31 July 2025. To date, the Company has utilised the ATM to raise \$6.45 million. The remaining standby equity capital available under the ATM is \$193.55 million. The Company retains full control of all aspects of the placement process. There are no requirements on the Company to utilise the facility and it may terminate the Agreement at any time, without cost or penalty.

## 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)	(82,450)
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)	(82,450)
8.4 Cash and cash equivalents at quarter end (item 4.6)	97,853
8.5 Unused finance facilities available at quarter end (item 7.5)	193,550
8.6 Total available funding (item 8.4 + item 8.5)	291,403
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.	3.5

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.

31 January 2023

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**

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*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.