



ASX ANNOUNCEMENT



26 OCTOBER 2017

EXPLORATION TO COMMENCE OVER DEEP WELL CONGLOMERATE TARGETS

Highlights

- Exploration to commence over conglomerate targets at Deep Well Project
- Testing for conglomerate hosted gold occurrences in Fortescue aged rocks and clastic sediments of the Mallina Group
- 15km strike extent to target corridor

Sayona Mining Limited (ASX: SYA) ("Sayona" or the "Company") is pleased to announce that field exploration will commence shortly at its Deep Well project in the Pilbara region of Western Australia. Initial reconnaissance has identified favourable stratigraphy including quartz pebble conglomerate with potential for conglomerate hosted gold mineralisation.

The 119km² tenement application has poor outcrop and basement geology is largely obscured by recent cover. Bedrock is interpreted to be Mallina Group sediments, intruded by granites in the east. A 15km strike extent of the target stratigraphy is within the tenement.

Volcanic rocks, including pillow basalts, flows and mafic fragmental typical of the Fortescue aged Mt Roe Basalt have been recently identified during fieldwork. They appear to be part of a previously unrecorded portion of Fortescue rocks within the Deep Well tenement. This stratigraphy is known to the west and south where they host conglomerate targets (see figure 1 below). The volcanics are margined by poorly outcropping, highly weathered volcanic and quartz pebble conglomerate of uncertain age (see ASX release, 19th October).

The only evidence of past prospecting activities identified to date is a shallow working, dug into quartz and pebble conglomerate. Geochemistry around this area, together with regional mapping and investigation of remote sensing targets will be carried out. Work will seek to determine the geological setting of the conglomerates identified to date and the bedrock of the greater tenement area.

Corey Nolan, Chief Executive Officer, commented *"The recent geological work at Deep Well which has identified rocks prospective for conglomerate hosted gold, displays the inherent value of the 2,000+km² tenement holding Sayona has in the Pilbara which will be fully evaluated for additional gold targets."*

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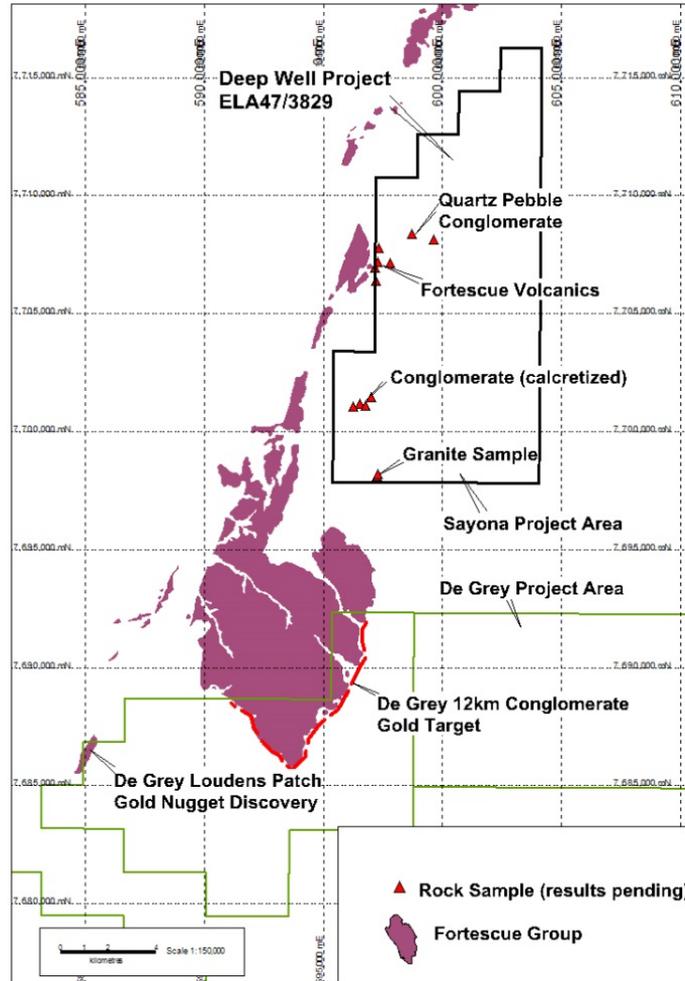


Figure 1, Deep Well Tenement, Fortescue Group and Nearby Gold Prospects

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Sayona Mining Limited is an Australian, ASX-listed (SYA), company focused on sourcing and developing the raw materials required to construct lithium-ion batteries for use in the rapidly growing new and green technology sectors. Please visit us at www.sayonamining.com.au