



ASX ANNOUNCEMENT



2 DECEMBER 2015

CORKWOOD MAIDEN DRILLING PROGRAM COMMENCES

Sayona Mining Limited (ASX: SYA) ("Sayona" or the "Company") is pleased to announce that drilling has commenced at the East Kimberley project, Western Australia.

The reverse circulation drilling program has been planned to test the graphite potential of the Corkwood anomaly. The program is expected to be between 2,500 - 3,500 metres, weather permitting. The area has never been previously drilled for graphite.

Corkwood is a 25 kilometre zone of graphite prospective stratigraphy. Petrographic studies have demonstrated the potential for large flake graphite, a high-value product that attracts premium pricing.

Sampling, mapping and geophysics at Corkwood has identified six prospective target areas for drilling over a 7 kilometre strike length. Drill target selection is based on the following:

- Areas of high-grade rock chip samples up to 20.2% total graphitic carbon;
- Zones mapped on surface with graphite outcrop widths of up to 35 metres; and
- Strong and coherent conductive anomalies from geophysics, coincident with surface mineralisation.

The objective of the drilling program is to confirm:

- The grade, width and strike extent of the main anomalies;
- The potential for bulk tonnage mineralisation, especially at the Flying Ant prospect which has an 800 metre strike length; and
- Early indications of the graphite flake size potential.

Figure 1 and 2 outline the priority target zones and Figures 3-5 demonstrate key targets based on geochemical and geophysical analysis.

For more information, please contact:

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Sayona Mining Limited is an Australian, ASX-listed (SYA), company focused on sourcing and developing high purity flake graphite for use in the rapidly growing new technology sectors and industrial sectors. Please visit us as at www.sayonamining.com.au

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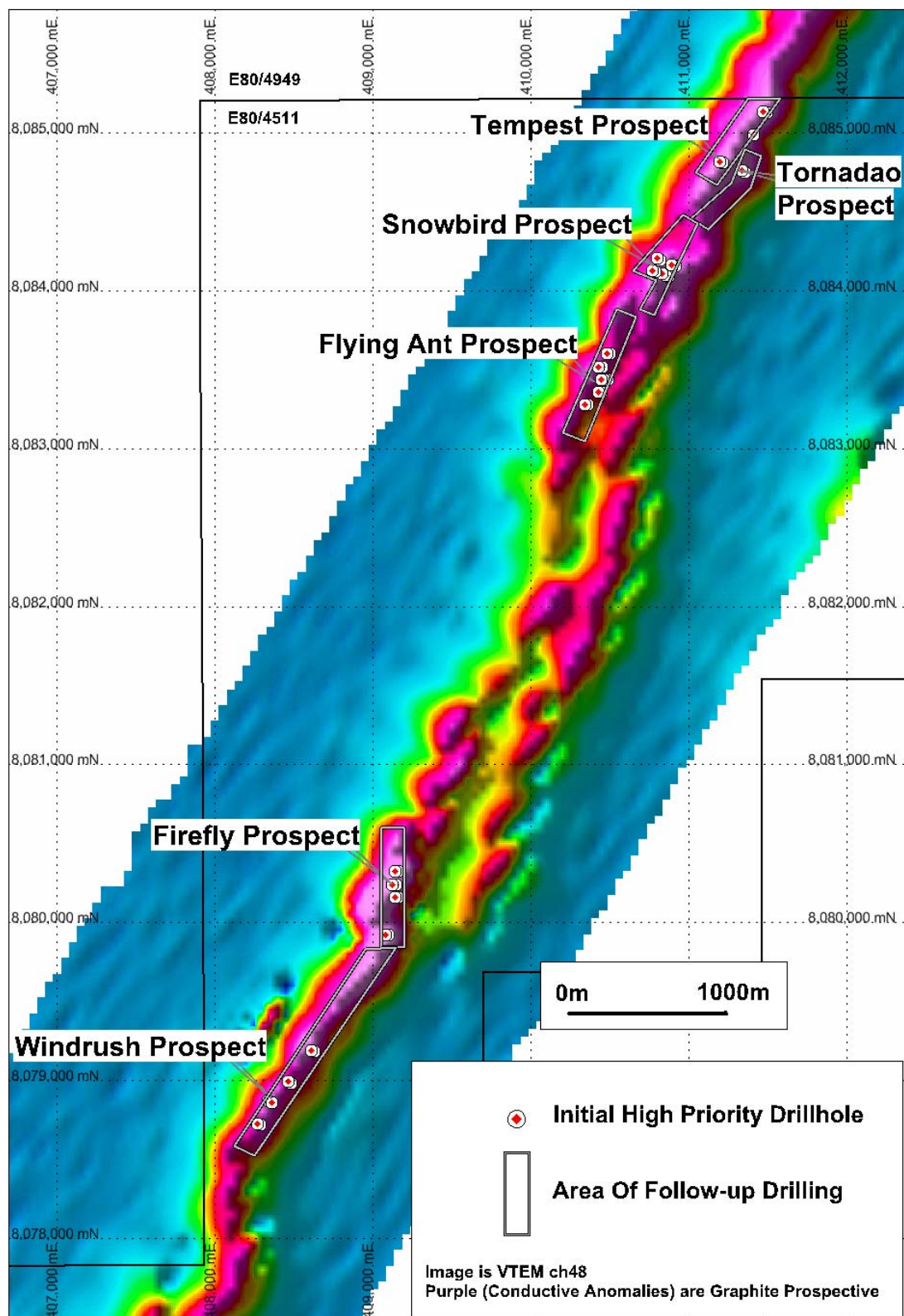


Figure 1: Prospect area map

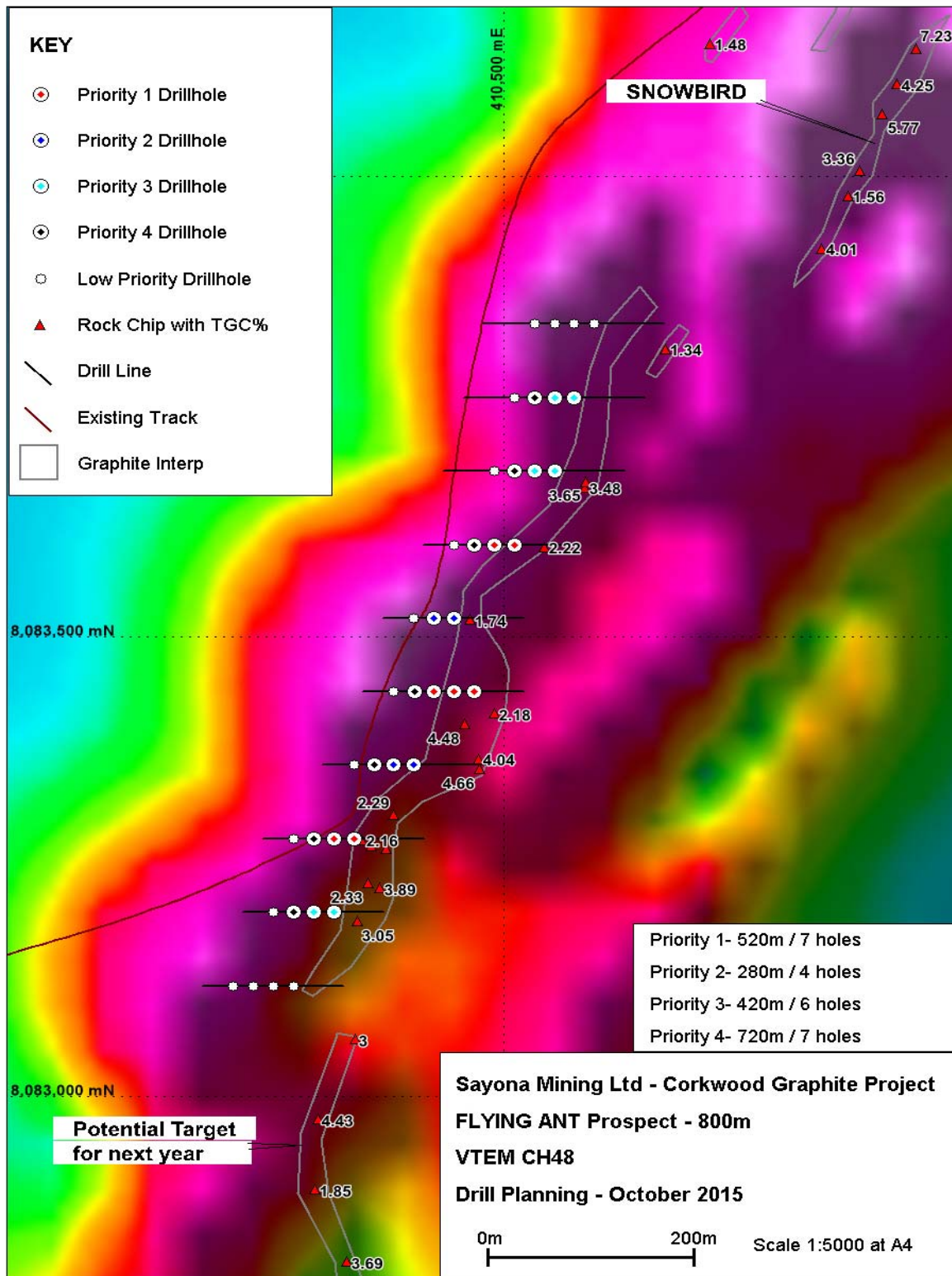


Figure 2: Flying Ant Prospect area map and drill hole location plan

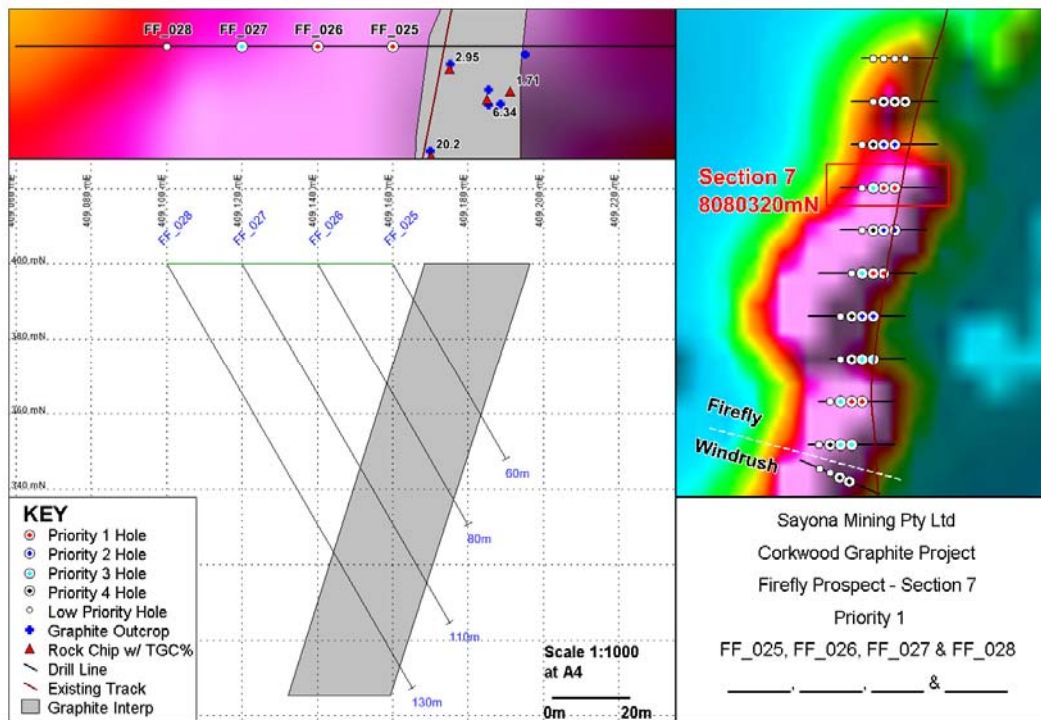


Figure 3: Firefly North prospect target cross section

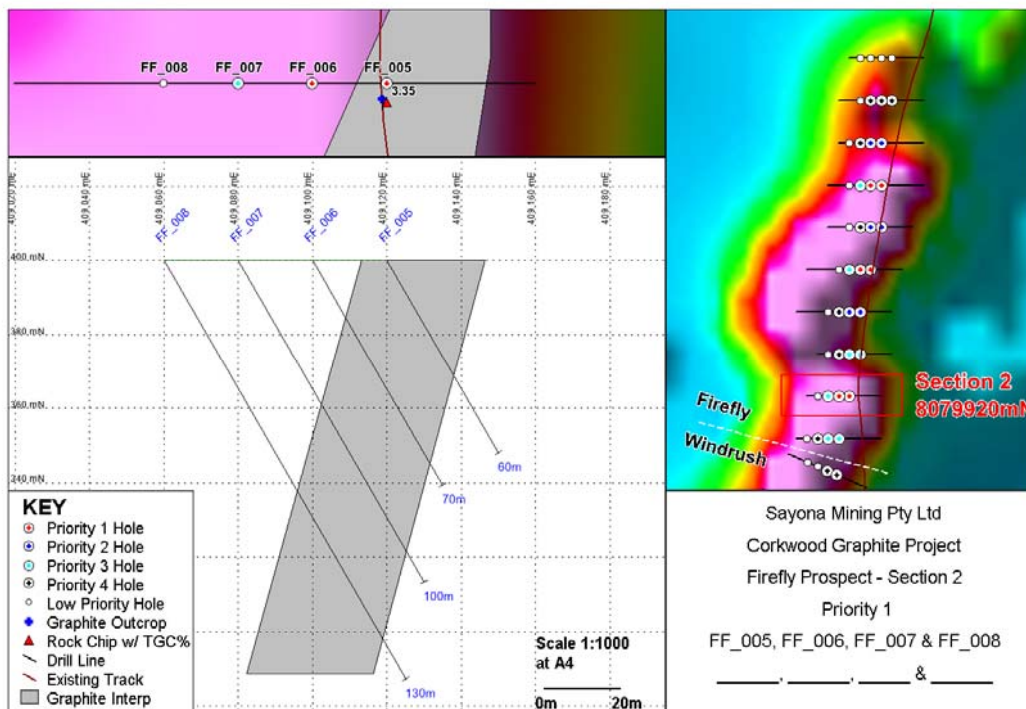


Figure 4: Firefly South prospect target cross section

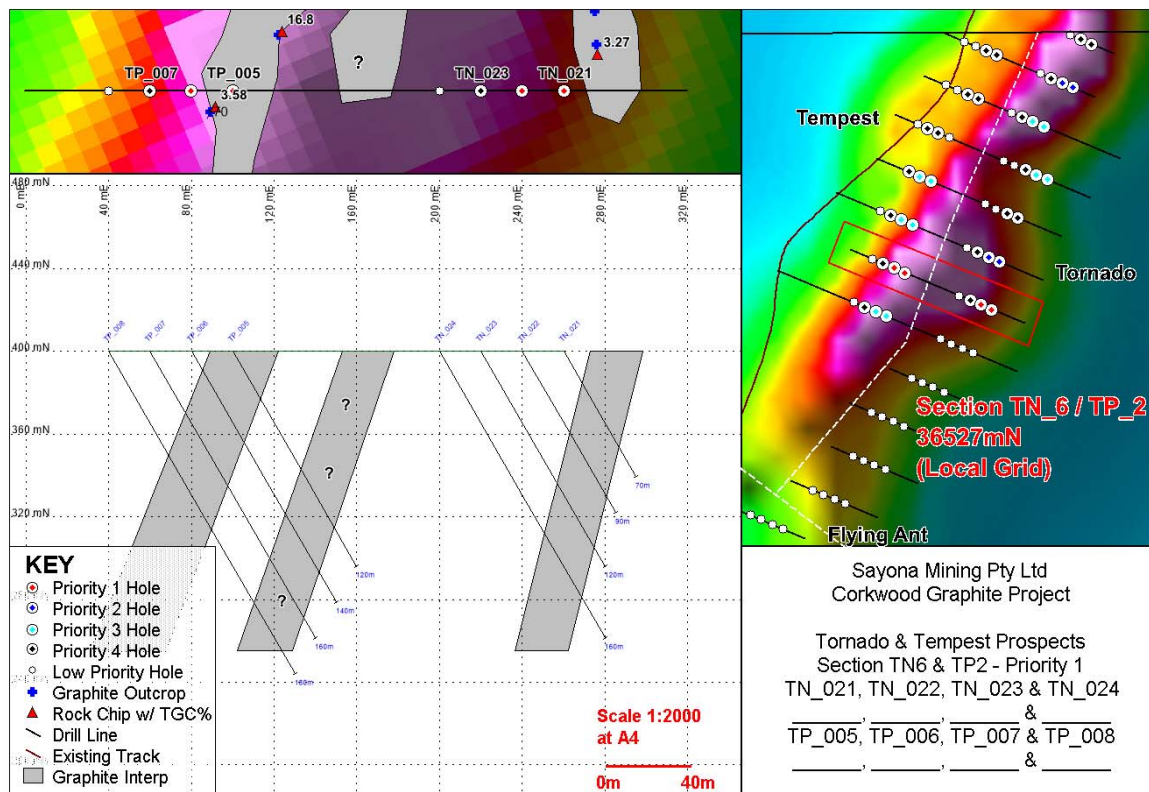


Figure 5: Tornado and Tempest prospect target cross section

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Mr Simon Attwell, a Competent Person, and who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Attwell is an employee of Attgold Pty Ltd ("Attgold") which provides geological services to Sayona. Mr Attwell is a financial beneficiary, being a director and shareholder of Attgold if Sayona exercises its option to purchase the East Kimberley Graphite project.

Mr Attwell has sufficient experience that 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Attwell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.