

ASX ANNOUNCEMENT

ASX: SYA

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25 March 2021

SAYONA LAUNCHES A\$20.4M FULLY UNDERWRITTEN RENOUNCEABLE RIGHTS ISSUE AS QUÉBEC LITHIUM EXPANSION ACCELERATES

Highlights

- **1 for 6 Renounceable Rights Issue to raise up to A\$20.4 million; priced at 3.2 cents per share, with rights to start trading from 6 April 2021**
- **Offer fully underwritten; 10.5% discount to the 30-day VWAP of 3.6 cents, 18% discount to the last sale of 3.9 cents**
- **Major shareholder, Piedmont Lithium Limited (ASX:PLL) taking up full entitlement under offer**
- **Funds to support Company's bid for North American Lithium (NAL) and progress key projects in Québec, Canada, amid rising lithium demand in North American market from battery and EV makers.**

Emerging lithium miner Sayona Mining Limited (ASX: SYA) has launched a Renounceable Rights Issue to raise up to AUD\$20.4 million before costs, with the funding to support the Company's growth plans in Québec, Canada.

This significant injection of capital will help Sayona advance its bid for North American Lithium in partnership with Piedmont Lithium, together with supporting the development of the Company's flagship Authier Lithium Project and emerging Tansim Lithium Project.

The offer is priced at A\$0.032 (3.2 cents) per share, a 10.5% discount to the 30-day VWAP and a 15.7% discount to the Theoretical Ex Rights Price of 3.8 cents. The rights issue will close on 20 April 2021, with the new shares expected to commence trading on 28 April.

The issue is fully underwritten by Canaccord Genuity (Australia) Limited (Canaccord). Canaccord is also Lead Manager and broker to the Offer. Sayona's major shareholder, Piedmont Lithium will be exercising its full entitlement under the Offer.

Sayona's Managing Director, Brett Lynch said the funds would provide a major boost in making the Company a world-scale producer in the near term, focused on North America.

"Québec offers enormous competitive advantages as a lithium producer and downstream processor due to its world-class infrastructure and labour, environmentally friendly hydropower and access to the fast-growing North American battery market," he said.

"This funding will help ensure we can cement our lithium projects as key to the region's clean energy future, with the potential for clean and green lithium hydroxide production direct to Ontario automakers and North Carolina battery makers.

"I would like to thank our investors and partners, notably Piedmont Lithium, for their tremendous support at this transformative stage in Sayona's evolution."

Renounceable Rights Issue: Offer details

Sayona is undertaking a 1 for 6 renounceable entitlement issue ("Entitlement Issue") to raise up to approximately A\$20.4 million before costs.

The issue price under the rights issue represents a discount of 10.5% to the 30-day VWAP and a 15.7% discount to the Theoretical Ex Rights Price of 3.8 cents.

The Rights Issue is open to all eligible shareholders who have a registered address within Australia or New Zealand, and who hold Shares on the Record Date. The Rights Issue will close on 20 April 2021 (unless extended in accordance with the Listing Rules).

All New Shares issued will rank equally with existing shares on issue and the Company will apply for quotation of the New Shares.

A prospectus in relation to the Rights Issue will be lodged with ASIC on 25 March 2021 and, together with a personalised entitlement acceptance form, will be sent to eligible shareholders shortly after the Record Date.

Eligible shareholders should consider the prospectus in deciding whether to acquire securities under the Rights Issue and will need to complete the personalised entitlement and acceptance form that will accompany the prospectus.

The following are *indicative dates in respect of the capital raising:

Event	Date
Ex-entitlement date	
Rights trading commences on a deferred settlement basis	29 March 2021
Record Date for determining entitlements (5:00pm EST)	30 March 2021
Prospectus and personalised Entitlement and Acceptance Forms sent to Eligible Shareholders	6 April 2021
Rights trading ends	13 April 2021
Closing date of entitlement issue (5:00pm EST)	20 April 2021
ASX notified of undersubscriptions	26 April 2021
Issue date	27 April 2021
Trading of New Shares and New Options commences	28 April 2021

** The Directors may extend the Closing Date by giving at least 3 business days' notice to ASX prior to the Closing Date. As such the date the Shares and Options are expected to commence trading on ASX may vary.*

If you have any queries concerning the Entitlement Issue, or the action you are required to take to subscribe for new Shares, please contact your financial adviser or Paul Crawford on +61 (0)416 104 633.

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

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About Sayona Mining

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

In Québec, Sayona is progressing a bid for the North American Lithium mine with the backing of a world-class advisory team, while advancing its flagship Authier Lithium Project and its emerging Tansim Project, supported by a strategic partnership with **Piedmont Lithium Limited (ASX:PLL; Nasdaq:PLL)**.

In Western Australia, the Company holds a large tenement portfolio in the Pilbara region prospective for gold and lithium.

For more information, please visit us at www.sayonamining.com.au

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