



## **Prospectus**

**Sayona Mining Limited ACN 091 951 978**

**For the offer of one free New Option for every two Shares subscribed for by an SPP Participant under the SPP.**

### **Defined terms**

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary in Section 7.

### **Important document**

This Prospectus provides important information about the Company. You should read the entire document. If you have any questions about the New Options being offered under this Prospectus, or any other matter relating to an investment in the Company, you should consult your professional adviser.

**An investment in the Company's securities is speculative.**

## Important Notices

This Prospectus is dated 2 July 2019 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

### Restrictions on Distribution

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This document may not be distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy securities in the United States. Any securities described in this document have not been and will not be, registered under the US *Securities Act 1993* and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US *Securities Act 1993* and applicable US state securities law.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it should not be lawful to make such an offer.

### Web Site – Electronic Prospectus

A copy of this Prospectus is available and can be downloaded from the website of the Company at [www.sayonamining.com.au](http://www.sayonamining.com.au).

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian or New Zealand resident and must only access the Prospectus from within Australia or New Zealand. Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus.

The *Corporations Act* prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company. If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you

have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

### Transaction Specific Prospectus

This Prospectus is a transaction specific prospectus issued under Section 713 of the Corporations Act, which allows the issue of more concise prospectuses for offers of continuously quoted securities or options to acquire them. In preparing this Prospectus, consideration has been given to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and as such, it is subject to regular reporting and disclosure obligations. Please note that this Prospectus should be read in conjunction with publicly available information the Company has provided to ASIC and ASX and that copies of documents the Company has lodged with ASIC and ASX may be obtained from or inspected at an ASIC office.

### Suitability of Investment & Risks

Before deciding to invest in the Company, prospective investors should read this Prospectus in its entirety and in particular, the risk factors in section 4. They should carefully consider these factors in the light of their personal circumstances (including financial and taxation issues) and seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding to invest.

Any investment in the securities of the Company should be regarded as speculative.

### Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements

expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4.

**Not investment advice**

The information contained in this Prospectus is not investment advice. Before deciding to invest in the Company, you should read and understand the entire Prospectus and, in particular, in considering the Company's prospects, you should consider the risk factors that could affect the Company's performance. You should carefully consider these risk factors in Section 4 in light of your personal circumstances (including financial and taxation issues) and seek advice from your professional

adviser before deciding to invest. Investing in the Company involves risks.

None of the Company, the Directors or any other person gives any guarantee as to the success of the Company, the repayment of capital, the payment of dividends or the future value or price on ASX of the Company's securities.

Any references to past performance of the Company is no guarantee of future performance.

**No Representations other than this Prospectus**

No person or entity is authorised to give any information or to make any representation in connection with the Offer that is not contained in this Prospectus or has not been released to ASX with the authorisation of the Company.

**Definitions**

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary in Section 7.

**Privacy**

Please read the privacy information located in section 5.3 of this Prospectus. By submitting an Application Form, you consent to the matters outlined in that section.

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## Corporate Directory

Directors	Company Secretary
<p>Paul Anthony Crawford (Executive Director)</p> <p>Dennis Charles O'Neill (Managing Director)</p> <p>Allan Charles Buckler (Non-Executive Director)</p> <p>James Stuart Brown (Non-Executive Director)</p>	<p>Paul Anthony Crawford</p>
Registered Office	Brokers
<p>Unit 68, 283 Given Terrace, Paddington QLD 4064</p>	<p>E.L. &amp; C. Baillieu Limited and Jett Capital Advisors LLC</p> <p><b>IMPORTANT NOTE:</b> Jett Capital Advisors LLC is regulated by the U.S. Financial Industry Regulatory Authority under U.S. laws which differ from Australian laws. Jett Capital is exempt from the requirement to hold an Australian financial services licence in accordance with ASIC Class Order 03/1100, which permits it to provide financial services to wholesale clients in Australia.</p>
Lawyers to the Company	Auditors
<p>Colin Biggers &amp; Paisley, Level 35, 1 Eagle Street, Brisbane QLD 4000</p>	<p>Nexia Brisbane Audit Pty Ltd, Level 28, 10 Eagle Street, Brisbane QLD 4001</p>
Share Registry	Contact Details
<p>Computershare Investor Services Pty Limited, 117 Victoria Street, West End QLD 4101</p>	<p>Web: <a href="http://www.sayonamining.com.au/">www.sayonamining.com.au/</a></p> <p>Email: <a href="mailto:info@sayonamining.com.au">info@sayonamining.com.au</a></p> <p>Telephone: 07 3369 7058</p> <p>Facsimile: 07 3300 9213</p>
ASX Code: SYA	

## Indicative Timetable for the Offer

<b>Event</b>	<b>Date</b>
<b>SPP Record Date</b>	7:00 pm (AEST) on 21 June 2019
<b>Despatch of SPP Offer Document</b>	28 June 2019
<b>Opening Date of SPP</b>	28 June 2019
<b>Lodge Prospectus with ASIC and ASX</b>	2 July 2019
<b>Opening Date of the Offer</b>	2 July 2019
<b>Closing Date of Offer</b>	5:00 pm (AEST) on 19 July 2019
<b>SPP Shortfall notified</b>	22 July 2019
<b>Issue of SPP Shares and New Options</b>	23 July 2019
<b>Quotation SPP Shares Commences</b>	24 July 2019

*Note: These dates are indicative only and subject to change. The Company has the right to vary these dates without notice, including to close the Offer early or accept late Applications, either generally or in particular cases.*

## **1. Details of the Offer**

### **1.1 Background**

On 24 June 2019, the Company announced, amongst other things, a share purchase plan (being the **SPP**) to raise a maximum of \$4,438,053, under which Shares will be offered to Eligible Shareholders at an offer price of \$0.0086 per Share (**SPP Shares**), with one free attaching option (being the New Options) for every two SPP Shares issued under the SPP. The SPP Shares are not offered under this Prospectus, but under the SPP Offer Document which does not form part of this Prospectus.

Please refer to the Company's announcement dated 24 June 2019 for further details of the SPP and associated matters, including the SPP Offer Document.

### **1.2 The Offer**

Under this Prospectus, the Company invites SPP Participants to apply for a total of up to 258,386,152 New Options (subject to acceptance of oversubscriptions), on the basis of one New Option for every two SPP Shares subscribed for under the SPP (with fractional entitlements rounded down). To the extent that oversubscriptions are accepted in accordance with the terms of the SPP, further New Options will be issued on the basis of one New Option for every additional two SPP Shares.

The New Options will be issued in accordance with actual allocations of SPP Shares made under the SPP. Accordingly, SPP Participants may receive fewer New Options than applied for if their application for SPP Shares under the SPP is subject to scale back. Please refer to the SPP Offer Document for further details.

All Eligible Shareholders will be sent a copy of this Prospectus, together with the SPP Offer Document and an Application Form.

Only SPP Participants can accept the Offer. Please refer to Section 1.5 for details of how to apply under the Offer.

No funds will be raised from the issue of the New Options pursuant to this Prospectus, as they are being issued for nil consideration as free attaching Options.

All of the New Options offered under this Prospectus will be granted on the terms and conditions specified in Section 3.1.

All of the Shares issued upon the future exercise of the New Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 3.2 for further information regarding the rights and liabilities attaching to the Company's Shares.

The Offer will open on the Opening Date and close on the Closing Date.

### **1.3 Broker New Options Offer**

The Company has agreed to issue up to 7,751,585 Broker New Options to the Brokers in consideration for their services in assisting with the Offer. The Broker New Options have the same terms of issue as all other New Options. In this regard, refer to Section 5.1(b).

### **1.4 Minimum subscription**

There is no minimum subscription to the Offer.

## **1.5 Applications**

Applications may only be made by SPP Participants and must be made using the Application Form or by making payment by way of BPAY for the associated SPP Shares in accordance with the terms of the SPP.

By completing an Application Form or making payment by way of BPAY in accordance with the terms of the SPP, you will be taken to have declared that all details and statements made by you are complete and accurate and that you have personally received the Application Form together with a complete and unaltered copy of this Prospectus. If you choose to pay for your associated SPP Shares by BPAY, you do not need to submit an Application Form, but are taken to have made the declarations on the Application Form, and you will be deemed to have applied for that number of New Options which attach to that number of SPP Shares which is covered in full by your application moneys (on the basis of one New Option for every two SPP Shares, with fractions rounded down).

Detailed instructions on how to complete the Application Form are set out on the form. Completed Application Forms should be delivered or posted to:

**Computershare Investor Services Pty Limited, 117 Victoria Street, West End QLD 4101.**

Application Forms or BPAY payments for associated SPP Shares must be received by no later than 5.00pm AEST on the Closing Date.

## **1.6 ASX listing**

The Company will not be making application for quotation by ASX of New Options offered pursuant to this Prospectus. As a result, the New Options will not be tradeable on ASX.

However, when the Company's options already on issue expire (if not exercised) on 30 April 2020, the Company may then apply for quotation of the New Options on ASX at that time.

## **1.7 Issue**

The issue of New Options offered under the Offer will take place as soon as practicable after the Closing Date.

## **1.8 Withdrawal**

The Directors may at any time decide to withdraw this Prospectus and the Offer.

## **1.9 Overseas Applicants**

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of New Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not



being extended, and New Options will not be issued, to Shareholders with a registered address which is outside Australia or New Zealand.

#### New Zealand

The New Options are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the *Financial Markets Conduct Act 2013* (New Zealand) and the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand). This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

#### **1.10 Enquiries**

Any queries regarding the Offer should be directed to Paul Crawford, Company Secretary, on + 61 7 3369 7058.

## 2. Purpose and effect of the Offer

### 2.1 Purpose of the Offer

The purpose of the Offer is to satisfy the obligation of the Company to offer free attaching New Options to Eligible Shareholders in conjunction with the offer of SPP Shares under the SPP.

### 2.2 Effect of the Offer on the Company's Capital Structure

The principal effect of the Offer will be to increase the number of Options currently on issue by up to 258,386,152 Options (subject to acceptance of oversubscriptions under the SPP).

The effect of the Offer on the capital structure of the Company is set out below.

<b>Shares</b>	<b>Number</b>
Shares currently on issue	1,722,574,344
SPP Shares to be issued pursuant to the SPP	516,772,303
<b>Maximum Shares on issue at completion of the Offer (and the SPP)</b>	<b>2,239,346,647</b>
<b>Options</b>	<b>Number</b>
Options currently on issue Listed, exercisable at \$0.078 each on or before 30 April 2020	120,242,589
Maximum number of New Options that may be issued under the Offer	258,386,152
Maximum number of Broker New Options that may be issued	7,751,585
<b>Maximum Options on issue completion of the Offer (and the SPP)</b>	<b>386,380,326</b>

Notes: This table assumes:

- (a) no Options currently on issue are exercised before completion of the Offer; and
- (b) the SPP is fully subscribed, the maximum number of Broker New Options are issued and that no oversubscriptions are accepted.

If oversubscriptions are accepted in accordance with the terms of the SPP, further New Options will be issued on the basis of one New Option for every two additional Shares subscribed under the SPP.

### 2.3 Effect of the Offer on financial position

No funds will be raised from the Offer, as the New Options are free attaching to the SPP Shares on a one for two basis. Should the Offer be fully subscribed, a maximum of 258,386,152 New Options will be issued and should they be exercised, a maximum of \$7,751,585 would be raised. A further \$232,548 would be raised if all Broker New Options were exercised.

The expenses of the Offer of approximately \$15,000 will be met from the Company's existing cash reserves.

The Directors do not consider that the Offer will have a material effect on the Company's financial position. The effect of the Offer on the Company's financial position will be payment of expenses of the Offer of approximately \$15,000.

### 3. Rights and liabilities attaching to New Options and Shares

#### 3.1 New Options

The New Options have the following terms:

- (a) Each New Option entitles the holder to one fully paid ordinary share in the capital of the Company.
- (b) The New Options may be exercised at any time prior to 5.00pm AEST on 23 July 2022 (**Expiry Date**).
- (c) The exercise price of the New Options is AUD \$0.03 (**Exercise Price**).
- (d) The New Options will not be listed on ASX, but after 30 April 2020, when the Company's current listed options expire, the Company may, at that time, apply for quotation of the New Options on ASX, subject to the ASX Listing Rules.
- (e) Subject to quotation of the New Options as mentioned above, the New Options are not transferable, subject at all times to the requirements of the Corporations Act, the ASX Listing Rules and any other applicable law or regulation.
- (f) To exercise the New Options, each New Option holder must give the Company notice in writing (**Notice of Exercise**). New Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and delivering it to the Company Secretary, to be received prior to the Expiry Date. The Notice of Exercise must, among other things, state the number of New Options exercised, the consequent number of Shares to be allotted and the identity of the proposed allottee. The Notice of Exercise by a New Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the Exercise Price per Share.
- (g) All Shares issued upon the exercise of New Options will rank equally in all respects with the Company's then issued Shares. The Company will apply to the ASX for all Shares issued pursuant to the exercise of the New Options to be admitted to quotation in accordance with the Listing Rules.
- (h) After a New Option is validly exercised, the Company will, as soon as possible following receipt of cleared funds equal to the Exercise Price payable on the exercise of the New Option:
  - (i) issue the Share;
  - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Share does not require disclosure to investors; and
  - (iii) do all such acts, matters and things to obtain the grant of quotation for the Share on ASX no later than 5 trading days from the date of exercise of the New Option.

- (i) In the event of a pro rata entitlements issue to the Company's Shareholders, the Exercise Price will be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.
- (j) In the event of a bonus issue, the number of Shares over which each New Option is exercisable will be increased by the number of Shares which the New Option holder would have received had the New Option been exercised before the record date for the bonus issue.
- (k) In the event of any reorganisation of the capital of the Company (including consolidation, subdivisions, reduction or return) the rights of a New Option holder will be changed to extent necessary to comply with the Listing Rules applying to a reorganisation of the capital at the time of the reorganisation.
- (l) There are no participating rights or entitlements inherent in the New Options and a New Option holder will not be entitled to participate in new issues of capital offered to the Company's Shareholders during the term of the New Options. However, the Company will send a notice to each New Option holder at least 3 business days before the record date of any new issues of capital offered to the Company's Shareholders, in order to give the New Option holder the opportunity to exercise their New Options prior to the date for determining entitlements to participate in any such issue.
- (m) The New Options may not be exercised by or on behalf of a person in the United States, unless the New Options and the underlying Shares have been registered under the United State Securities Act of 1933, as amended, and applicable state securities laws, or exemptions from such registration requirements are available.

### **3.2 Shares**

Full details of the rights and liabilities attaching to Shares that will be issued upon the exercise of New Options, which rank equally with all other existing Shares, are:

- (a) detailed in the Company's Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- (b) in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to Shares that will be issued upon exercise of New Options, which are fully paid ordinary shares that rank equally with all Shares currently on issue. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

#### **(a) Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. Voting may be in person or by proxy, attorney or representative.

(b) Dividends

Subject to the rights of holders of shares issued with any special rights (at present there are none), the Board may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend.

(c) Future issues of securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.

(d) Transfer of Shares

A Shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.

(e) Meetings and notices

Each Shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Corporations Act.

(f) Election of Directors

There must be a minimum of 3 Directors and the Board may set a maximum number of Directors. At every annual general meeting one third of the Directors (rounded up to the nearest whole number) must retire from office. Any Director who would have held office for more than 3 years if that Director remains in office until the next general meeting must retire. These retirement rules do not apply to certain appointments including the managing director.

(g) Winding up

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Shareholders:

- (i) divide the assets of the Company among the members in kind;
- (ii) for that purpose, fix the value of assets and decide how the division is to be carried out as between the members and different class of members; and
- (iii) If members approve by special resolution, vest assets of the Company in trustees on any trusts for the benefit of the members as the liquidator thinks appropriate, but members may not be compelled to accept any securities in respect of which the member incurs any liability.

(h) Shareholder liability

As the Shares that will be issued upon the exercise of New Options will be fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(i) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

(j) Variation of rights

Pursuant to the provisions of sections 246B to 246E of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders, vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(k) Listing Rules

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

## 4. Risk Factors

An investment in the Company's securities is considered speculative.

An investment in the Company is not risk free and the Directors strongly urge potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult with their professional advisers before deciding whether to apply for New Options pursuant to this Prospectus.

Prior to deciding whether to participate in the Offer, investors should read the entire Prospectus and review announcements made by the Company to ASX (at [www.asx.com.au](http://www.asx.com.au) under the code **SYA**), in order to gain an appreciation of the Company, its activities, operations, financial position, risks and prospects.

Securities do not carry any guarantee with respect to the payment of any dividends, returns of capital or the market value of those securities.

There are specific risks which relate directly to the Company's business. In addition, there are general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Company's securities.

The following is a not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### 4.1 Company and industry risks

#### (a) Future capital needs and additional funding

The Company may require further financing in addition to amounts raised under the SPP and Offer (upon exercise of New Options). Any additional equity financing will dilute existing shareholdings. Debt financing, if available, may involve restrictions on financing and operating activities.

There can be no assurance that the Company will be able to obtain additional financing when required in the future, or that the terms and time frames associated with such financing will be acceptable to the Company. This may have an adverse effect on the Company's ability to achieve its strategic goals and have a negative effect on the Company's financial results, liquidity position and the value of the Company's securities.

#### (b) Exploration risk

By its nature, the business of exploration is a highly speculative endeavour and involves significant risks. The Company's performance depends on the successful exploration and/or acquisition of resources or reserves, competent operational management and efficient financial management. The Company undertakes sampling, geophysics and drilling programs, and the outcomes of these programs will dictate the future performance of the Company. Further, the nature of exploration can sometimes result in industrial accidents and other incidents beyond the control of the Company.

There can be no assurances that the Company's exploration programs will result in the discovery of a significant mineral target. Even if a significant target is identified, there is no guarantee that it will be viable for economic exploitation.

Ultimate success depends on the discovery and delineation of economically recoverable mineral resources and reserves establishment of efficient exploration operations, obtaining necessary titles and access to projects, as well as government and other regulatory approvals.

The exploration and mining activities of the Company may be affected by a number of factors, including but not limited to geological conditions, seasonal weather patterns, technical difficulties and failures, continued availability of the necessary technical equipment, plant and appropriately skilled and experienced technicians, adverse changes in government policy or legislation and access to the required level of funding.

(c) Feasibility and Development Risks

Given the stage of the Company's projects, there will be a complex, multidisciplinary process to be undertaken to complete a feasibility study to support any development proposal. There is a risk that the feasibility study and associated technical works will not achieve the results expected. There is also a risk that even if a positive feasibility study is produced, the relevant project may not be successfully developed for commercial or financial reasons.

(d) Resource and reserve estimates

Resource and reserve estimates are inherently prone to variability. They involve expressions of judgement with regard to the presence and quality of mineralisation and the ability to extract and process the mineralisation economically. These judgments are based on a variety of matters such as drilling results, past experience, knowledge and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations and reduce the estimated amount of mineral resources and ore reserves available for production and expansion plans.

(e) Future approvals risk

The Company has all relevant approvals to conduct its current operations. Prior to commencement of any future operations for which the Company requires higher tenure, the Company will need to obtain the relevant approvals for such higher tenure. There is no assurance that such approvals will be received or that the conditions within the approvals will not be overly onerous. The potential incidence and impact of those factors cannot be accurately predicted and conditions imposed on approvals may impede the operation or development of a project and even render it uneconomic.

(f) Permitting risk

Interests in mining tenements in Australia and Canada are governed by legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and has annual expenditure and reporting commitments, together with other conditions requiring compliance. While the Company has good title to its tenements, the Company could lose its title to or its interest in one or more of the tenements in which it has an interest if licence conditions are not met or if there are insufficient funds available to meet the minimum expenditure commitments.

The Company's mining tenements, and other tenements in which the Company may acquire an interest, will be subject to renewal, which is usually at the



discretion of the relevant authority. If a tenement is not renewed the Company may lose the opportunity to discover mineralisation and develop that tenement.

The Company cannot guarantee that any tenements in which it has an interest will be renewed beyond their current expiry date, and there is a material risk that, in the event the Company is unable to renew any of its tenements beyond their current expiry date, all or part of the Company's interests in the corresponding projects may be relinquished.

(g) Native Title, First Nation and Heritage

In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians or Canadian First Nations exist. If native title or First Nation rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant land owner) or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected.

In addition, there may be areas or objects of Aboriginal or Canadian First Nation heritage located on the Company's tenements, or any other tenements that may be acquired by the Company in the future. The Company must ensure that it does not breach the applicable legislation relating to Aboriginal or Canadian First Nation heritage. To ensure that it does not contravene such legislation, it would be prudent for the Company (and it would accord with industry practice and Aboriginal and Canadian First Nation expectations) to conduct heritage surveys to determine if any Aboriginal or Canadian First Nation heritage sites or objects exist within the area of the Company's tenements prior to commencing any activities. Any interference with these sites or objects must be in strict conformity with the provisions of the relevant legislation.

If Aboriginal or First Nation heritage sites or objects do exist the Company may need to enter into agreements with the traditional owners of the sites. The ability of the Company to implement its work programme may be adversely affected in both time and cost.

(h) Ability to exploit successful discoveries

It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploitation will involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as the Company's.

(i) Environmental risks

The minerals and mining industry has become subject to increasing environmental regulations and liability. The potential for liability is an ever present risk.

The operations and proposed activities of the Company are subject to Australian and Canadian laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to

the highest standard of environmental obligation, including compliance with all environmental laws.

The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall, snow or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations will become more onerous, making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

Exploration work will be carried out in a way that has minimal impact on the environment. It may be required for the Company to conduct baseline environmental studies prior to certain exploration or mining activities, so that the environmental impact of the Company's operations can be monitored and minimised wherever possible.

(j) Commodity prices

Commodities prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include worldwide and regional supply and demand for commodities, general world economic conditions and the outlook for interest rates, inflation and other economic or political factors on both a regional and global basis. These factors may have a negative effect on the Company's exploration, project development and production plans and activities, together with its ability to fund those plans and activities.

(k) Lack of hedging

Currently, the Company does not have any currency hedging arrangements in place, but this may change if the Directors form the view that the cost of such arrangements is appropriate. This means the Company does not currently have measures in place to soften the adverse effect of currency and commodity price movements.

(l) Joint ventures, contracts and agents

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party to; or the insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or the insolvency or other managerial failure by any of the other service providers used by the Company for any activities. The Company may not be able to meet forecast production, or to complete planned exploration, appraisal and development programmes if there is a failure of these parties.

(m) Operating risk

The operations of the Company may be affected by various factors, including operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown or unanticipated metallurgical problems, which may affect extraction costs; adverse weather conditions (e.g. significant rainfall), delays in construction of tailings dam wall lifts, industrial and environmental accidents, industrial disputes or unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment may have an adverse effect on the operations and production ability of the Company by increasing costs or delaying activities.

The Company's operations will depend on an uninterrupted flow of materials, supplies, equipment, services and finished projects. Due to the geographic location of the Company's projects, it will depend on third parties for the provision of road, port, marine, shipping and other transportation services. Contractual disputes, demurrage charges, classification of commodity inputs and finished products, road and port capacity issues, availability of trucks and vessels, weather conditions, labour disruptions or other factors may have an adverse impact on the Company's ability to transport materials according to schedules and contractual commitments. If these circumstances arise, they may adversely affect the Company's business, results of operations, financial performance and the value of its Shares.

(n) Competition

The Company competes with other companies. Some of these companies have greater financial and other resources than the Company and as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company will be able to compete effectively with these companies. The technologies directly associated with the use of the Company's mineral resources compete with other technologies that may provide the same utility by using other materials. The marketability of the Company's mineral resources may be adversely impacted by technological obsolescence.

(o) Acquisition and investment risks

The Company may seek potential acquisitions and investments to complement its existing exploration assets. Whilst the Company will undertake thorough due diligence on any acquisitions or investments, there are risks associated with acquisitions or investments which may not be fully mitigated. Furthermore, any acquisition or investment may require the Company to raise additional capital, which may be dilutive for existing Shareholders.

(p) Geotechnical risk

Geotechnical risks arise from the movement of the ground during and following mining activity. This may result in temporary or permanent access to a mine being cut off. The loss of access may have a significant impact on the economics of the ore body. Additionally, significant additional costs may result from designing and constructing alternative access drives which will also impact the economics of the mining operation, potentially making the mine uneconomic. Assessment of the extent and magnitude of ground movements that could take place or that have taken place within the mine and surrounding area will be evaluated by the Company.

(q) Occupational health & safety

The exploration and mining industry has become subject to increasing occupational health and safety responsibility and liability. The Company may become liable for past and current conduct which violates such laws and regulations, which may be amended by the relevant authorities. Penalties for breaching health and safety laws can be significant and include criminal penalties. Victims of workplace accidents may also commence civil proceedings against the Company. These events might not be insured by the Company or may be uninsurable. In addition, any changes in health and safety laws and regulations may increase compliance costs for the Company. Such an event would negatively impact the financial results of the Company.

(r) Key personnel

The ability of the Company to achieve its objectives depends on the retention of key personnel who provide technical expertise. If the Company cannot secure external technical expertise (for example to carry out drilling) or if the services of the present technical panel cease to become available to the Company, this may affect the Company's ability to achieve its objectives either fully or within the timeframes and the budget the Company has decided upon.

Whilst the ability of the Company to achieve its objectives may be affected by the matters mentioned above, the Directors believe that appropriately skilled and experienced professionals will be available to provide services to the Company at market levels of remuneration in the event key external contractors cease to be available.

(s) Country risk

The Company has projects located outside Australia, subject to political, economic, legal and social risk that is different from Australia. There can be no assurance that the systems of government and the political systems in overseas countries will remain stable. Further, there can be no assurance that government regulations relating to foreign investment, repatriation of foreign currency, taxation and the mining industry in these countries will not be amended or replaced in the future to the detriment of the Company's business and/or projects.

The activities related to the Company's Canadian projects are governed by Canadian law. The Directors consider that the Canadian government supports the development of natural resources by foreign investors. However, there is no assurance that future political and economic conditions in Canada will not result in the Canadian government adopting different policies regarding foreign development and ownership of mineral resources. Any changes in policy may result in legislative changes affecting ownership of assets, taxation, rates of exchange, environmental protection, labour relations, repatriation of income and return on capital, all of which may affect the Company's ability to develop the Company's Canadian projects.

Any potential future Canadian operations of the Company are subject to a number of risks, including: potential difficulties in enforcing agreements and collecting receivables through foreign local systems, potential difficulties in protecting rights and interests in assets, increases in costs for transportation and shipping, and restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes. Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

(t) Dividends Policy

The Directors are unable to say if and when the Company will be able to pay dividends. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of profit, operating results, the financial position of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurances in relation to the payment of dividends, or the franking credits attached to such dividends, can be given.

(u) Litigation

The Company may be subject to litigation and other claims. Any litigation could result in negative publicity, potential liability and additional expenditure.

## 4.2 General Investment risks

The risks outlined below are some of the general risks that may affect an investment in the Company.

(a) Securities investments and share market conditions

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for exploration and mining companies, may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return on any investment in the Company.

(b) Liquidity risk

The market for the Company's Shares may be illiquid. As a consequence, investors may be unable to readily exit or realise their investment.

(c) Economic risk

Changes in economic and business conditions or government policies in Australia or internationally may affect the fundamentals of the Company's target markets or its cost structure and profitability. Adverse changes in the level of inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory policies), consumer spending, and employment rates, are outside the control of the Company and the management team and may have an adverse effect on the financial performance and/or financial position of the Company.

(d) Changes in laws and government policy

Changes to government regulations, law (including taxation and royalties) and policies, both domestically and internationally, under which the Company operates may adversely impact the Company's activities, planned projects and the financial performance of the Company.

(e) Taxation

There may be tax implications arising from Applications for New Options, the receipt of dividends (both franked and unfranked) (if any) from the Company, the participation in any on-market Share buy-back and on the disposal of securities.

(f) Global credit and investment markets

Global credit, commodity and investment market volatility may impact the price at which the Company's securities trade regardless of operating performance, and affect the Company's ability to raise additional equity and/or debt to achieve its objectives, if required.

(g) Counterparty risk

There is a risk that contracts and other arrangements which the Company is party to and obtains a benefit from, will not be performed by the relevant counterparties if those counterparties become insolvent or are otherwise unable or unwilling to perform their obligations.

The Company and its projects may suffer material adverse consequences such as increased costs, delayed projects, loss of market share, or loss of customers.

(h) Insurance Risks

Exploration for and development of minerals involves hazards and risks that could result in the Company incurring losses or liabilities that could arise from its operations. If the Company incurs losses or liabilities which are not covered by its insurance policies, the funds available for exploration and development will be reduced and the value and/or title to the Company's assets may be at risk. In certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance against all risks associated with mining exploration and production is not always available and, where available, the costs can be prohibitive and cover not adequate to cover all claims.

(i) Unforeseen Expenditure Risk

Expenditure may need to be incurred that has not been considered in this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals and activities of the Company, as the Company may be required to reduce the scope of its operations and scale back its exploration and development programmes. This could have a material adverse effect on the Company's activities and the value of its securities.

#### **4.3 List not exhaustive**

The above list of risk factors should not be taken as exhaustive of the risks faced by the Company or by Shareholders. The above factors and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the securities offered under this Prospectus. Accordingly, the securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns, returns of capital or market value at any time.

**Shareholders should consider that investment in the Company is highly speculative and should consult their professional advisers before deciding whether to acquire the Company's securities.**

## 5. Additional Information

### 5.1 Material contracts

#### Broker Mandates and Broker New Options Offer

The Company entered into a mandate agreement with the brokers, Jett and Baillieu, in relation to the SPP and the Offer (**Mandate**). The Company has agreed to pay the brokers the following aggregate consideration to Baillieu and Jett jointly:

- (a) a fee of 6.0% of the gross amount raised under the SPP; and
- (b) New Options equal to 3% of the aggregate New Options issued pursuant to the Offer (**Broker New Options Offer**) (in this regard, refer to Section 2.2).

The Mandates also contain a number of indemnities, representations and warranties by the Company that are considered standard for agreements of this type.

Jett is regulated by the U.S. Financial Industry Regulatory Authority under U.S. laws which differ from Australian laws. Jett Capital is exempt from the requirement to hold an Australian financial services licence in accordance with ASIC Class Order 03/1100, which permits it to provide financial services to wholesale clients in Australia.

### 5.2 Disclosing entity

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to other publicly available information in relation to the Company before making a decision whether or not to invest. Such information, including the SPP Offer Document, does not form part of this Prospectus.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the period from lodgement of the Company's annual financial statements for the financial year ended 30 June 2018 to the issue of this Prospectus, which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the securities market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and



- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
- (i) the annual financial report of the Company for the financial year ended 30 June 2018 (**Annual Report**);
  - (ii) the half-year financial report lodged with the ASIC by the Company on 15 March 2019; and
  - (iii) any continuous disclosure notices given by the Company after the lodgement of its 2018 Annual Report and before the lodgement of this Prospectus.

Copies of all documents lodged with the ASIC in relation to the Company can be obtained free of charge from the Company's registered office during normal office hours. The Company has lodged the following announcements with ASX since its 2018 Annual Report filed on 26 October 2018:

01/07/2019	Appointment of New Managing Director/Chief Executive Officer
26/06/2019	Share Purchase Plan Cleansing Notice
24/06/2019	Security Purchase Plan
24/06/2019	New EIS Launched For Authier Lithium Project
28/05/2019	Engineering Firm Appointed For Updated Authier DFS
27/05/2019	Sayona Advances Authier Approval Process
24/05/2019	Cleansing Statement - Section 708A Notice
13/05/2019	Appointment of Quebec CEO to Advance Key Lithium Projects
30/04/2019	Quarterly Activities Report
30/04/2019	Quarterly Cashflow Report
24/04/2019	Appendix 3B
15/04/2019	Sayona Expands Tansim Project with New Acquisition
09/04/2019	Drilling Boosts Prospects for New Lithium Deposit at Tansim
28/03/2019	Authier Project Update
28/03/2019	Presentation Aust. Energy & Minerals Conference 28 March 2019
15/03/2019	Half Yearly Report and Accounts
08/03/2019	Response to ASX Aware Query
06/03/2019	Step up of engagement following Quebec regulatory decision
07/02/2019	Response to ASX Appendix 5B Query
04/02/2019	Cleansing Notice
31/01/2019	Quarterly Activities Report
31/01/2019	Quarterly Cashflow Report
31/01/2019	Sayona Steps Up Engagement Efforts at Authier
29/01/2019	Acquisition Boost Holding in World-Class WA Lithium District
29/01/2019	Appendix 3B Mallina Acquisition

06/12/2018	Appendix 3B
03/12/2018	Sayona Backs Joint Study on Quebec Green Battery Future
27/11/2018	Results of Meeting
27/11/2018	Presentation - Annual General Meeting
15/11/2018	Authier Permitting Process on Track For 2019
31/10/2018	Quarterly Activities Report
31/10/2018	Quarterly Cashflow Report
31/10/2018	Drilling Completed At Mallina Lithium Project
26/10/2018	Notice of Annual General Meeting/Proxy Form
26/10/2018	Annual Report to Shareholders

ASX maintains files containing publicly available information from all listed companies. The Company's file is available for inspection at ASX during business hours.

### **5.3 Privacy**

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the acceptance and, if the application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related body corporates, agents, contractors and third party service providers, including mailing houses and professional advisors, and to ASX and regulatory authorities.

If an Applicant becomes a Shareholder, the Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there, even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person, subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

### **5.4 Dividend Policy**

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

### **5.5 Subsequent Events**

There has not arisen, at the date of this Prospectus any item, transaction or event of a material or unusual nature not already disclosed on ASX or in this Prospectus which is likely, in the opinion of the Directors of the Company to affect substantially:

- (a) the operations of the Company;
- (b) the results of those operations; or
- (c) the state of affairs of the Company.

## 5.6 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the securities offered under this Prospectus.

## 5.7 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings of a material nature and the Directors are not aware of any other legal proceedings pending or threatened against the Company.

## 5.8 Expiry Date

No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

## 5.9 Directors' interests

As at the date of this Prospectus the Directors (directly or through entities controlled by them) have a relevant interest in securities of the Company as set out below:

Director	Shares	Options
Mr Paul Anthony Crawford	98,440,535	769,650
Mr Allan Charles Buckler	97,924,530	980,392
Mr Dennis Charles O'Neill	86,593,477	-
Mr James Stuart Brown	3,187,463	69,294

## 5.10 Remuneration of Directors

The maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by Shareholders at a general meeting. Fees for non-executive Directors are not linked to the performance of the economic entity.

Information regarding the remuneration received by Directors for the preceding two financial years can be found in the Annual Report.

The Company has entered into indemnity, insurance and access deeds with each of the Directors (**Deeds**). Under the Deeds, the Company agrees to indemnify each of the Directors to the extent permitted by the Corporations Act against certain liabilities incurred by the Directors whilst acting as an officer of the Company and to insure each Director against certain risks to which they are exposed as officers of the Company. The Deeds also grant each Director a right of access to certain records of the Company for legitimate purposes for a period of up to 7 years after the Director ceases to be an officer of the Company. The Deeds were entered into as part consideration for the Directors agreeing to hold office as directors of the Company.

Directors are also entitled to be reimbursed for reasonable expenses incurred by them in providing their services to the Company. Non-executive directors are entitled to payment

in addition to their director's fee if they undertake work in addition to their services as non-executive directors. Payment for such additional work will be at agreed market rates.

The Company also pays premiums to insure all of the Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in their capacity as a Director of the Company.

The following table shows the annual remuneration paid to both executive and non-executive Directors inclusive of superannuation for the past financial year ended 30 June 2018. The salary and fee amounts are not anticipated to change for the financial year ending on 30 June 2019.

Director	Total Financial Year ending 30 June 2018 (\$)	Super-annuation	Salary and fees	Share based payments
Mr Paul Anthony Crawford	135,000	11,712	123,288	-
Mr Dennis Charles O'Neill	135,000	11,712	123,288	-
Mr Allan Charles Buckler	60,000	-	60,000	-
Mr James Stuart Brown	60,000	-	60,000	-

#### 5.11 No other Directors' interests

Other than as set out above or elsewhere in this Prospectus, no Director or proposed Director holds at the date of this Prospectus, or held at any time during the last 2 years before the date of lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offers; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person:

- (d) to a Director or proposed Director to induce him or her to become, or to qualify as, a Director; or
- (e) for services provided by a Director or proposed Director in connection with the formation or promotion of the Company or the Offer.

#### 5.12 Interests of promoters and named persons

Except as disclosed in this Prospectus, no other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or

- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

Colin Biggers & Paisley Lawyers has advised the Company in relation to aspects of the Offers. CBP Lawyers will receive fees of approximately \$8,000 in connection with this Prospectus. Some additional fees at standard hourly rates may be payable, in addition.

### 5.13 Expenses of the Offer

The total expenses of the Offer are estimated to be a maximum of \$15,000 (excluding GST), including ASIC, legal and printing costs.

### 5.14 Consents

Each of the persons referred to in this section:

- (a) has given and has not, before the date of lodgement of this Prospectus with ASIC withdrawn their written consent:
  - (i) to be named in the Prospectus in the form and context which it is named; and
  - (ii) where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Prospectus;
- (b) has not caused or authorised the issue of this Prospectus;
- (c) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below;
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding and takes no responsibility for, any part of this Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

Name	Role
Colin Biggers & Paisley Lawyers	Lawyers to the Company in respect of the Offer
Computershare Investor Services Pty Limited	Share Registry
Baillieu and Jett	Brokers to the SPP

## 6. Directors' Responsibility and Consent

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Dated: 2 July 2019



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Signed for and on behalf of  
Sayona Mining Limited by  
Dennis O'Neill, Managing Director

## 7. Glossary

Where the following terms are used in this Prospectus they have the following meanings:

<b>A\$ or \$</b>	Australian dollars unless otherwise stated.
<b>AEST</b>	Australian Eastern Standard Time.
<b>Applicant</b>	A person who applies for New Options pursuant to the Offer using an Application Form.
<b>Application Form</b>	The application form attached to or accompanying this Prospectus relating to the Offer.
<b>ASIC</b>	The Australian Securities & Investments Commission.
<b>ASX</b>	ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.
<b>ASX Listing Rules</b>	The official listing rules of ASX.
<b>Baillieu</b>	L. & C. Baillieu Limited.
<b>Board</b>	The board of Directors.
<b>Brokers</b>	Jett and Baillieu jointly.
<b>Broker New Options</b>	New Options offered pursuant to the Broker New Options Offer.
<b>Broker New Options Offer</b>	The meaning given in section 5.1.
<b>Closing Date</b>	5.00pm AEST on 19 July 2019 or an amended time as set by the Board.
<b>Company</b>	Sayona Mining Limited ACN 091 951 978.
<b>Constitution</b>	The constitution of the Company.
<b>Corporations Act</b>	The <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	A director of the Company.
<b>Eligible Shareholder</b>	A Shareholder who, as at the SPP Record Date, has a registered address in Australia or New Zealand.
<b>Jett</b>	Jett Capital Advisors LLC
<b>Listing Rules</b>	The listing rules of ASX.
<b>New Option</b>	An Option on the terms set out in Section 3.1.
<b>Offer</b>	The offer of New Options under this Prospectus, as described in Section 1.
<b>Official List</b>	The Official List of ASX.

<b>Opening Date</b>	2 July 2019.
<b>Option</b>	An option to subscribe for and be issued, a Share.
<b>Prospectus</b>	This Prospectus and includes the electronic Prospectus.
<b>Sayona</b>	Sayona Mining Limited (ACN 091 951 978).
<b>Section</b>	A numbered section of this Prospectus.
<b>Share</b>	A fully paid ordinary share in the Company.
<b>Shareholder</b>	The registered holder of Shares in the Company.
<b>Share Registry</b>	Computershare Investor Services Pty Limited.
<b>SPP</b>	The Company's share purchase plan announced on ASX on 24 June 2019.
<b>SPP Offer Document</b>	The offer document in relation to the SPP despatched to Eligible Shareholders.
<b>SPP Participant</b>	An Eligible Shareholder who submits a valid application for SPP Shares under the SPP.
<b>SPP Record Date</b>	7:00pm (AEST) on 21 June 2019.
<b>SPP Shares</b>	The meaning given in Section 1.1.