

Prospectus

Sayona Mining Limited

ACN: 091 951 978

ASX Code: SYA

This Prospectus is a compliance prospectus to facilitate secondary trading of securities issued by the Company prior to the date of this Prospectus. The Offer is only made to persons nominated by the Company.

This Prospectus provides important information about the Company. You should read the entire document. If you have any questions about the New Shares 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 New Shares offered under this Prospectus is highly speculative.

Important Notice

This Prospectus is dated 22 July 2020 and was lodged with ASIC on that date. Application will be made to ASX for quotation of the New Shares offered under this Prospectus within 7 days of this 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.

Nature of this Prospectus

The New Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the official list of the ASX during the 12 months prior to the issue of this Prospectus.

This Prospectus is a 'transaction specific prospectus' to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the 3 months prior to the date of the prospectus. In general terms 'transaction specific prospectuses' are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus contains information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in it. It does not include all of the information that would be included in a prospectus for an initial public offer.

Prospectus availability

Eligible Shareholders can obtain a copy of this Prospectus during the Offer period on the Company's website at www.sayonamining.com.au or by contacting the Company. If you access an electronic copy of this Prospectus, you should ensure that you download and read the entire Prospectus.

The electronic copy of this Prospectus available from the Company's website will not include an Application Form.

Foreign jurisdictions

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 residents 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 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.

Disclaimer of representations

No person is authorised to provide any information or make any representation in connection with the Offer which is not contained in this Prospectus.

Forward looking statements

This Prospectus contains forward looking statements that, despite being based on the Company's current expectations about future events, are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors. These known and unknown risks, uncertainties and assumptions, could cause actual results, performance or achievements to materially differ from future results, performance or achievements expressed or implied by forward-looking statements in this Prospectus. These risks, uncertainties and assumptions include, but are not limited to, the risks outlined in section 6 of this Prospectus. Forward-looking statements include those containing such words as 'anticipate', 'estimate', 'believe', 'should', 'will', 'may' and similar expressions.

Privacy

Please read the privacy information located in section 4.3 of this Prospectus. By submitting an Application Form, you consent to the matters outlined in that section.

Definitions

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

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Corporate Directory

Directors

Mr Brett Lynch	Managing Director/CEO
Mr Paul Crawford	Executive Director
Mr Dan O'Neill	Non Exec Director
Mr Alan Buckler	Non Exec. Director
Mr James Brown	Non Exec. Director

Company Secretary

Paul Crawford

Website

www.sayonamining.com.au

Registered Office

Unit 68

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Paddington Qld 4066

Tel: +61 7 3369 7058

Email: info@sayonamining.com.au

*These parties are included for information purposes only. They have not been involved in the preparation of this Prospectus.

1 PURPOSE AND EFFECT OF THE OFFER

1.1 Purpose of the Offer

On 12 March 2020 the Company announced a 1 for 4 renounceable rights issue to raise up to approximately \$4.3 million through the issue of approximately 535 million new Shares at an issue price of \$0.008, with 1 attaching Option for every 2 new Shares issued (**Rights Issue**).

The Rights Issue closed on 22 April 2020 and on 29 April 2020 the Company issued 324,580,104 Shares and 162,290,010 Options (a further 20,426,423 Options were issued to the lead manager and underwriter to the Rights Issue).

On 22 July 2020 the Company issued the following securities without disclosure (**Shortfall and Over-subscription Placement**):

- (a) 210,833,567 Shares and 105,416,784 Options, being the shortfall under the Rights Issue, issued to sophisticated investors. The issue was within Listing Rule 7.2 exception 3.
- (b) 120,416,433 Shares and 60,208,232 Options issued to sophisticated investors. These securities were issued without Shareholder approval and using the Company's capacity under Listing Rule 7.1.
- (c) 22,000,000 Options issued to Mahe Capital Pty Limited and its nominees (**Broker Issue**).

The Company also announced that it had, subject to Shareholder approval, agreed to issue 12,500,000 Shares, with 1 attaching Option for every 2 Shares issued, to Director Brett Lynch. The issue is under the same terms as the Shortfall and Over-subscription Placement, with an issue price of \$0.008 per Share.

The Corporations Act generally requires that an offer within 12 months of securities issued without disclosure requires a prospectus. Section 708A(11) of the Corporations Act provides an exemption from this general requirement where:

- (d) the relevant securities are in a class of securities of the company that are quoted securities of the body; and
- (e) a prospectus is lodged with ASIC:
 - (i) on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) before the day on which the relevant securities are issued and the offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued.

The purpose of this Prospectus and the Offer is to comply with section 708A(11) of the Corporations Act so that Shares and Options issued prior to this Prospectus under

the Shortfall and Over-subscription Placement can be offered for sale without disclosure.

1.2 New Shares offered for subscription

By this Prospectus, the Company offers for subscription 1,000 Shares at an issue price of \$0.008 per Share, with 1 attaching Option for every 2 Shares issued, to raise \$8. The Offer is made to unrelated persons who are invited by the Company and is not open to the general public.

Applications for securities must be made using the Application Form attached to this Prospectus. The Directors will have discretion over which Applications to accept. Applicants will need to follow the procedures advised to them by the Company for Applications under this Offer.

The rights and liabilities of the Shares and attaching Options offered under this Prospectus are summarised at section 3.

1.3 Capital structure

At the close of the Offer, the capital structure of the Company will be:

Shares	
Shares currently on issue (including Shares issued under the Shortfall and Over-subscription Placement)	2,800,208,700
New Shares offered under this Prospectus	1,000
Total Shares on issue following the Offer	2,800,209,700
<hr/>	
Options currently on issue (including Options issued under the Shortfall, Over-subscription Placement and Broker Issue)	370,341,449
New Options offered under this Prospectus	500
Total Options on issue following the Offer	370,,341,933

1.4 Effect on control

There will be no effect on control as a result of the Offer.

1.5 Effect on financial position of the Company

There is no material effect on the Company's cash and equity position by this offer.

2 DETAILS OF THE OFFER

2.1 Minimum subscription

There is no minimum subscription.

2.2 Opening and closing dates

The Opening date of the Offer will be 22 July 2020 and the Closing Date will be as determined by the Board.

2.3 Application money held in trust

All Application Moneys will be deposited into a separate bank account of the Company and held in trust for Applicants until the New Shares are issued or Application Moneys returned. Any interest that accrues will be retained by the Company and will not be paid to Applicants.

2.4 Quotation

The Company will apply to ASX within 7 days after the date of this Prospectus for quotation of the New Shares offered by this Prospectus on ASX. If ASX does not grant permission for the quotation of the New Shares offered under this Prospectus within 3 months after the date of this Prospectus, or such longer period as modified by ASIC, none of the New Shares offered by this Prospectus will be allotted or issued. In these circumstances, all Applications will be dealt with in accordance with the Corporations Act including the return of all Application Moneys without interest. A decision by ASX to grant official quotation of the New Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company or of the New Shares.

Quotation, if granted, of the New Shares offered by this Prospectus will commence as soon as practicable after statements of holdings of the New Shares are dispatched.

2.5 CHESS

The Company will apply to participate in the Clearing House Electronic Subregister System (CHESS). CHESS is operated by ASX Settlement, a wholly owned subsidiary of ASX.

Under CHESS, the Company will not issue certificates to investors. Instead, security holders will receive a statement of their holdings in the Company. If an investor is broker sponsored, ASX Settlement will send a CHESS statement.

2.6 Expenses of the Offer

The total estimated expenses of this Prospectus are estimated to be \$4,206, consisting of the following:

Cost	\$
ASIC fees	\$3,206
Legal fees	\$1,000
Capital raising fees	\$159,000
Total	\$163,206

These expenses have or will be paid by the Company.

2.7 Enquiries

Any queries regarding the Offer should be directed to the Company Secretary on +61 416 104 633.

3 RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

Full details of the rights and liabilities attaching to the Shares are:

- detailed in the Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- 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 the Shares. 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 Corporations Act, the Listing Rules and any rights or restrictions attached to a class of shares, the Company may pay dividends as the Directors authorise.

(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) Liquidation rights

The Company has one class of shares on issue, ordinary shares. Each ordinary Share ranks equally in the event of liquidation.

(g) Variation of rights

Subject to the Listing Rules, the rights attached to the Shares may be varied with the consent in writing of shareholders holding three-quarters of the Shares or by a special resolution passed at a separate meeting of the holders of the Shares in accordance with the Corporations Act

(h) Election 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.

(i) Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.

(j) Winding up

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of the Company any surplus must be divided among the shareholders of the Company.

(k) Shareholder liability

As the Shares under the Prospectus are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(l) 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.

(m) 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 or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

3.2 Rights and liability attaching to Options

Options offered under this Prospectus are subject to the following terms:

- (a) The Options will be issued for no consideration.
- (b) Each Option entitles the holder to be issued one Share.
- (c) The exercise price of the Options is \$0.02 each.
- (d) The expiry date of an Option is 29 April 2023.
- (e) The Options may be exercised at any time prior to the expiry date, in whole or in part, upon payment of the exercise price per Option.
- (f) The Company currently intends to apply for quotation of the Options on the official list of the ASX. Quotation of the Options is not guaranteed or automatic but will depend on ASX exercising its discretion under the Listing Rules.
- (g) The Options are freely transferable subject to any restriction or escrow arrangements imposed by the Corporations Act and the ASX Listing Rules.

- (h) The holder of an Option may not exercise less than 25,000 Options at any one time unless the holder has less than 25,000 Options in which event the Holder must exercise all of the Options together.
- (i) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Share Registry to be received prior to the expiry date. The Notice of Exercise must state the number of Options exercised, the consequent number of Shares to be issued and the identity of the proposed subscribers. The Notice of Exercise by an 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.
- (j) All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then issued Shares. The Company must apply to the ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Options to be admitted to quotation.
- (k) There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Options. Thereby, the Option holder has no rights to a change in:
 - (i) the exercise price of the Option; or
 - (ii) period of exercise of the Option; or
 - (iii) except in the event of a Bonus Issue (defined below), a change to the number of underlying securities over which the Option can be exercised.
- (l) The Company will ensure, for the purposes of determining entitlements to any issue, that Option holder will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
- (m) If from time to time on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company (Bonus Issue), then upon exercise of his or her Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him or her under that Bonus Issue if the Options had been exercised before the record date for the Bonus Issue.
- (n) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all

rights of the Option holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.

4 ADDITIONAL INFORMATION

4.1 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 continuously 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 the other publicly available information in relation to the Company before making a decision whether or not to invest.

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 lodgment of the Company's annual financial statements of the Company for the financial year ended 30 June 2019 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 stock 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 statements of the Company for the financial year ended 30 June 2019 being the last financial statements for a financial

year, of the Company lodged with the ASIC before the issue of this Prospectus; and

- (ii) any continuous disclosure notices given by the Company after the lodgment of that annual report and the lodgment 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 the Company's 2019 annual financial report:

Date	Description of Announcement
17/07/2020	Presentation to Noosa Virtual Conference
16/07/2020	Trading Halt
16/07/2020	Change of Director's Interest Notice
15/07/2020	Sayona Presents Expansion Plans at Noosa Virtual Conference
15/07/2020	Close-Out of Convertible Note Facility
02/07/2020	Sayona Strengthens NAL Bid as Evercore Joins Advisory Team
16/06/2020	Sayona Momentum Builds as Bidding Process Extended for NAL
04/06/2020	AJM: Strategic Review Allows AJM to Refocus its Lithium Search
04/06/2020	Strategic Review of WA Assets to Maximise Value
11/05/2020	Bid Deadline Extended For North American Lithium
07/05/2020	Repayment of Convertible Notes
05/05/2020	Change of Director's Interest Notice
01/05/2020	Expiry of Options
30/04/2020	Quarterly Cashflow Report
30/04/2020	March 2020 Quarterly Activities Report
29/04/2020	Appendix 2A

Date	Description of Announcement
27/04/2020	Rights Investors Back Sayona Growth Strategy
21/04/2020	Appendix 2A
20/04/2020	Investor Presentation - Sayona Expansion Strategy Webinar
17/04/2020	Investor Webinar - Sayona's Expansion Strategy
16/04/2020	MD Update - Quebec Prepares for Post-Pandemic Future
14/04/2020	Cleansing Statement - Sec 708A Notice
09/04/2020	Authier Approval Process on Track
08/04/2020	Retraction and Additional Information Statement
08/04/2020	Appendix 2A
07/04/2020	Proposed issue of Securities - SYA
02/04/2020	New Studies Show Benefits of NAL-Authier Combination
26/03/2020	Extension of Rights Issue
26/03/2020	Appendix 3B
25/03/2020	MD Update -Sayona Backs Quebec Plans to Boost Lithium Sector
23/03/2020	Results of Meeting
17/03/2020	Rights Commence Trading
12/03/2020	Appendix 2A
12/03/2020	Reinstatement to Official Quotation
12/03/2020	Letters to Ineligible Shareholders and Optionholders
12/03/2020	Appendix 3B
12/03/2020	Rights Issue Prospectus
12/03/2020	\$4.3m Right Issue

Date	Description of Announcement
11/03/2020	Suspension from Official Quotation
09/03/2020	Trading Halt
02/03/2020	Half Year Accounts
24/02/2020	Sayona Submits Bid for North American Lithium
21/02/2020	Notice of Extraordinary General Meeting/Proxy Form
19/02/2020	Managing Director Update- Sayona's Quebec Lithium Strategy
18/02/2020	Appendix 3G
18/02/2020	Proposed issue of Securities - SYA
31/01/2020	Quarterly Activities Report
31/01/2020	Quarterly Cashflow Report
22/01/2020	EIS Lodged as Sayona Advances Authier Approvals
17/01/2020	Bid Deadline Extended for North American Lithium
17/01/2020	Appendix 3B and Cleansing Notice
15/01/2020	Appendix 3B
15/01/2020	Cleansing Statement - Sec708A Notice
10/01/2020	Sayona Secures US Investor Backing to Advance Key Projects
03/01/2020	Response to ASX Price Query
31/12/2019	Appendix 3B and Cleansing Statement
13/12/2019	Agreement with First Nation Abitibiwinni on Authier Project
04/12/2019	Change of Director's Interest Notice
02/12/2019	Cleansing Statement - Sec708A Notice

Date	Description of Announcement
29/11/2019	Appendix 3B
29/11/2019	Results of Meeting
22/11/2019	Additional Information - Investor Presentation
20/11/2019	Investor Presentation - 121 Mining Investment Conference
20/11/2019	Additional Information - Exploration Target at Viau-Dallaire
19/11/2019	Potential for New Lithium Deposit at Viau-Dallaire
11/11/2019	Revised Authier DFS Shows Boost to Profitability
11/11/2019	Investor Presentation
08/11/2019	Revised Appendix 5B - September 2019 Quarterly Cashflow
07/11/2019	Sayona Strengthens Bid Team for North American Lithium
31/10/2019	Quarterly Activities Report
31/10/2019	Quarterly Cashflow Report
29/10/2019	Controlled Placement Agreement and Appendix 3B
29/10/2019	Notice of Annual General Meeting/Proxy Form
29/10/2019	Executive Incentive Plan Rules
17/10/2019	Presentation - Brisbane Resources Round-Up 17 October 2019
10/10/2019	World-Class Team to Support SYA North American Lithium Bid
10/10/2019	Appendix 4G and Corporate Governance Statement

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

4.2 No prospective financial forecasts

The Directors have considered the matters outlined in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings because the proposed future operations of the Company do not have an operating history from which reliable forecasts can be made. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Notwithstanding the above, this Prospectus includes, or may include, forward looking statements including, without limitation, forward looking statements regarding the Company's financial position, business strategy, and plans and objectives for its business and future operations (including development plans and objectives), which have been based on the Company's current expectations. These forward-looking statements are, however, subject to known and unknown risks, uncertainties and assumptions that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward looking statements are based on numerous assumptions regarding the Company's present and future business strategies and environment in which the Company will operate in the future.

Matters not yet known to the Company or not currently considered material to the Company may impact on these forward looking statements. These statements reflect views held only as at the date of this Prospectus. In light of these risks, uncertainties and assumptions, the forward-looking statements in this Prospectus might not occur. Investors are therefore cautioned not to place undue reliance on these statements.

4.3 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Application 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.

4.4 Directors' interests

As at the date of this Prospectus the Directors have a relevant interest in securities of the Company and remuneration over the last 2 years as set out below.

	Annual Remuneration	Shares	Options
Mr Brett Lynch	350,000	88,153,101	42,909,884
Mr Paul Crawford	300,000	149,488,108	14,949,186
Mr Dan O'Neill	186,000	89,587,664	4,497,094
Mr Allan Buckler	72,000	157,808,252	29,941,861
James Brown	72,000	6,164,565	1,488,551

Notes:

- 1 The non-executive Directors are entitled to annual directors' fees of \$72,000 (inclusive of superannuation) respectively.

The Company has, subject to Shareholder approval, agreed to issue 12,500,000 Shares, with 1 attaching Option for every 2 Shares issued, to Director Brett Lynch. The issue is on the same terms as the Shortfall and Over-subscription Placement, with the issue price being \$0.008 per Share. The Directors other than Mr Lynch have determined that as the issue terms are the same as the Shortfall and Over-subscription Placement the financial benefit given to Mr Lynch is on arm's length terms so that Shareholder approval is not required under Chapter 2E of the Corporations Act.

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 the Company is exposed as an officer of the Company. The Deeds also grant each Director a right of access to

certain records of the Company 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.

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 the capacity as a Director of the Company.

4.5 Mandate with Mahe Capital

The Company has entered a mandate agreement with Mahe Capital under which Mahe is entitled to a management fee of 1% and a placement fee of 5% on amounts raised by Mahe Capital. Mahe Capital is also entitled to be issued 8 Options for every \$1 raised.

Mahe Capital will receive \$159,000 and 22 million Options as a result of the **Shortfall and Over-subscription Placement**.

4.6 No other 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 lodgment 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 Offer; 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.

4.7 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.

4.8 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 legal proceedings pending or threatened against the Company.

5 DIRECTORS' RESPONSIBILITY AND CONSENT

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

Dated: 22 July 2020



Signed for and on behalf of Sayona Mining Limited
By Paul Crawford
Executive Director and Company Secretary

6 GLOSSARY

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

A\$ or \$	Australian dollars unless otherwise stated.
Applicant	a person who submits a valid Application Form pursuant to this Prospectus.
Application	a valid application made on an Application Form to subscribe for New Shares pursuant to this Prospectus.
Application Form	the application form attached to this Prospectus.
Application Moneys	money paid by an Investor upon Application.
ASIC	the Australian Securities & Investments Commission.
ASX	the ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.
ASX Settlement	ASX Settlement Pty Ltd (ACN 008 504 532).
Broker Issue	has the meaning given in section 1.1.
Board	the board of Directors.
Closing Date	the closing date for receipt of Application Forms under this Prospectus as determined by the Board.
Company or SYA	Sayona Mining Limited (ACN 091 951 978).
Constitution	the constitution of the Company.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Director	a director of the Company and, where the context requires, the proposed Directors.
Listing Rules	the listing rules of the ASX.
New Share	means a Share offered under this Prospectus.
Offer	the offer of securities made under this Prospectus.

Option	means an option to be issued a Share on the terms in section 3.2.
Prospectus	this prospectus and includes the electronic prospectus.
Rights Issue	has the meaning given in section 1.1.
Share	a fully paid ordinary share in the Company.
Share Registry	Computershare Investor Services Pty Limited
Shareholder	the registered holder of Shares in the Company.
Shortfall and Over-subscription Placement	has the meaning given in section 1.1.
WST	Western Standard Time.