

CORPORATE GOVERNANCE

RISK MANAGEMENT PRACTICES

Sayona Mining Limited ('Sayona' or 'the Company') has risk management processes and internal compliance and control systems in place to address the Company's material business risks. The Managing Director and the Executive Director have the primary responsibility for ensuring the systems are maintained and complied with.

BUSINESS RISK MANAGEMENT

The Board ensures that the Company manages its activities within budgets and operational and strategic plans. A framework is in place to safeguard assets and to ensure that business risks are identified and appropriately managed.

INTERNAL CONTROL FRAMEWORK

The Board is ultimately responsible for the overall internal control framework, but recognises that no cost effective internal control system will preclude all errors or irregularities. The Board examines the adequacy of the nature, extent and effectiveness of the internal control processes of the Company.

FINANCIAL REPORTING

Directors approve an annual budget for Sayona. Monthly actual results are reported against budget and reviewed in monthly management reports provided to the Board. Revised forecasts are prepared as required.

OPERATIONS REVIEW

Members of the Board visit operational sites as required in order to be informed of significant operational matters.

CAPITAL EXPENDITURE

Board approval is required for significant items of capital expenditure, typically as part of the annual budget process. Capital expenditure items outside the annual budget require the approval of the full Board.

ENVIRONMENT AND SAFETY

The Company is committed to ensuring that sound environmental management and safety practices are carried out in its operations and exploration activities, in compliance with relevant statutory requirements relating to environmental matters, workplace health and safety and community relationships.