

12 March 2020

**SAYONA LAUNCHES AUD\$4.3M RENOUNCEABLE RIGHTS ISSUE
TO ADVANCE QUÉBEC GROWTH STRATEGY**

Highlights

- **1 for 4 Renounceable Rights Issue to raise up to \$4.3 million; attractively priced at 0.8 cents per share**
- **Discount of 34 % to the 30-day VWAP of 1.22 cents, 48 % to the 90 day VWAP of 1.54 cents**
- **Eligible shareholders receive one free attaching New Option with every 2 New Shares**
- **New Options will have Exercise Price of 2 cents, term of 3 years and be listed on ASX; shareholders can trade their rights and apply for additional shares and options**
- **Rights to start trading (on a deferred settlement basis) from 16 March 2020**
- **Firm commitments from directors and management to subscribe for \$420,000 of their entitlement; Managing Director and Sayona Québec CEO to subscribe for additional \$400,000 from any shortfall**
- **Funds to support Company's bid for North American Lithium (NAL), redeem convertible notes and progress key projects in Québec, Canada, amid rising global demand for lithium.**

Emerging lithium miner Sayona Mining Limited (ASX: SYA) announced today the launch of a Renounceable Rights Issue to raise up to AUD\$4.3 million before costs, with the funding to support the Company's growth plans in Québec, Canada as it advances its bid for North American Lithium (NAL).

The offer is priced at AUD\$0.008 per share, a 34 % discount to the 30-day VWAP (volume weighted average price) and a 48% discount to the 90-day VWAP. Eligible shareholders who subscribe to the offer will also receive one free attaching listed option for every two new shares subscribed for, exercisable at AUD\$0.02 on or before three years from issue. Sayona intends to apply for the quotation of the new options on the ASX. The rights issue will close on 3 April 2020, with the new shares expected to commence trading on 14 April.

Directors and management have demonstrated their confidence in Sayona's growth strategy by supporting the fund raising, agreeing to subscribe for AUD\$420,000 of their entitlement under the offer.

Sayona's Managing Director, Brett Lynch and Sayona Québec CEO, Guy Laliberté, have also committed to subscribe for an additional AUD\$400,000 from any shortfall. The issue is partially underwritten to AUD\$1.5 million by leading investment advisory firm Mahe Capital Pty Ltd.

Mr Lynch said the funds would be essential in supporting the Company's push to transform itself from an explorer to a world-scale producer in the near term.

"Sayona's plans in Québec are rapidly picking up speed as we advance our bid for NAL while also progressing approvals for our flagship Authier Lithium Project. I would like to thank Directors and management for their investment, which represents a vote of confidence in our future," Mr Lynch said.

"The opportunity in front of us is compelling and these funds will put us in an excellent position to deliver on our strategy for the benefit of all stakeholders."

In addition to supporting the Company's growth plans, the fund raising will facilitate the redemption of outstanding convertible notes issued to Obsidian Global GP (refer ASX release 10 January 2020). Obsidian has agreed not to convert any notes prior to the earlier of the notes being redeemed and 30 April 2020.

Renounceable Rights Issue: Offer details

Sayona is undertaking a 1 for 4 renounceable rights issue ("Rights Issue") to raise up to approximately AUD\$4.3 million before costs. Eligible shareholders who subscribe to the offer will also receive 1 free attaching listed option for every 2 new shares subscribed for, exercisable at AUD\$0.02 on or before three years from issue. The Company intends to apply for the quotation of the new options on the ASX.

The issue price under the rights issue represents a discount of:

- 20% to the Company's last close of 1.0 cent on the ASX on the 6th of March 2020;
- 34% to the Company's 30 day VWAP of 1.22 cents; and
- 48% to the Company's 90 day VWAP of 1.54 cents

The Rights Issue is open to all eligible shareholders who have a registered address within Australia or New Zealand, and who hold Shares on the Record Date. The Rights Issue will close on 3 April 2020 (unless extended in accordance with the Listing Rules), and eligible shareholders can apply for shortfall in excess of their entitlement.

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

A prospectus in relation to the Rights Issue was lodged with ASIC on 12 March 2020 and, together with a personalised entitlement acceptance form, will be sent to eligible shareholders shortly after the Record Date.

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

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

Event	Date
Ex-entitlement date	
Rights trading commences on a deferred settlement basis	16 March 2020
Record Date for determining entitlements (5:00pm EST)	17 March 2020
Prospectus and personalised Entitlement and Acceptance Forms sent to Eligible Shareholders	20 March 2020
Rights trading ends	27 March 2020
Closing date of Rights Issue (5:00pm EST)	3 April 2020
ASX notified of undersubscriptions	7 April 2020
Issue date	9 April 2020
Trading of New Shares and New Options commences	14 April 2020

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

If you have any queries concerning the Rights Issue, or the action you are required to take to subscribe for new Shares, please contact your financial adviser or Mr James Canning-Ure on +61 (0)418 745 477. This announcement is authorised by Sayona's Board of Directors.

For more information, please contact:

Brett Lynch

Managing Director

Phone: +61 (7) 3369 7058

Email: info@sayonamining.com.au

For media queries, please contact:

Anthony Fensom

Republic PR

anthony@republicpr.com.au; +61 (0)407 112 623

About Sayona Mining

Sayona Mining Limited is an emerging lithium miner (ASX:SYA), with projects in Québec, Canada and Western Australia. In Québec, Sayona is progressing a bid for the North American Lithium mine with the backing of a world-class support team, while advancing its flagship Authier Lithium Project and its emerging Viau-Dallaire prospect (Tansim project).

In Western Australia, the Company has a joint venture with leading lithium producer Altura Mining concerning its exploration portfolio in the world-class Pilgangoora lithium district.

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