

26 March 2020

RENOUNCEABLE RIGHTS ISSUE CLOSING DATE EXTENDED AMID COVID-19

Highlights

- **Sayona extends closing date of Renounceable Rights Issue to 22 April 2020.**
- **Directors and management supporting issue with commitments for A\$820,000; issue partially underwritten to A\$1.5 million by leading investment advisory firm Mahe Capital Pty Ltd.**
- **Funds to support Sayona's growth strategy, centred on bid for North American Lithium (NAL) in Québec, Canada.**

Emerging lithium miner Sayona Mining Limited (ASX:SYA; OTC:DMNXF) announced today the extension of the closing date of the current Renounceable Rights Issue to Wednesday, 22 April 2020. The extension provides shareholders with extra time to respond to the offer, given the impact on services following the outbreak of COVID-19.

Launched on 12 March 2020 (refer ASX announcement), the one for four Renounceable Rights Issue aims to raise up to A\$4.3 million to advance the Company's growth plans in Québec, Canada, including the acquisition of NAL, while progressing the flagship Authier Lithium Project and other lithium projects together with essential working capital.

Directors and management have demonstrated their confidence in the Company's growth strategy by supporting the fund raising, agreeing to subscribe for A\$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 A\$400,000 from any shortfall. The issue is partially underwritten to A\$1.5m by leading investment advisory firm Mahe Capital Pty Ltd.

Sayona's Mr Lynch said he was confident the issue is priced appropriately for current market conditions, with the extension of the closing date giving investors sufficient time to participate and support the Company's expansion plans.

“Sayona is progressing a company transforming acquisition of NAL which could deliver a substantial increase in value for shareholders. We have also been encouraged by the support from the Québec Government for the battery minerals sector, which has allocated substantial funding towards the lithium industry,” he said.

“Our confidence in the outlook is reflected by Directors’ and management’s investment in this capital raising, as we also undertook in last year’s Share Purchase Plan and placement (refer ASX release 23 August 2019).

“Regarding COVID-19, the health and wellbeing of the community is the highest priority. Disruptions to financial markets have been an inevitable consequence of this global outbreak, but we remain focused on progressing our activities to the fullest extent possible. Eventually the situation will normalise and Sayona is in an excellent position to benefit from the opportunities in front of us.”

Renounceable Rights Issue: Offer details

Sayona is undertaking a 1 for 4 renounceable rights issue (“Rights Issue”) to raise up to approximately A\$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 A\$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 6 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 22 April 2020 (unless extended in accordance with the Listing Rules), and eligible shareholders can apply for any 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, has been sent to eligible shareholders. 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 accompanied the prospectus.

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

Event	Date
Rights trading ends	15 April 2020
Closing date of entitlement issue (5:00pm EST)	22 April 2020
ASX notified of undersubscriptions	27 April 2020
Issue date	29 April 2020
Trading of New Shares and New Options commences	30 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 Entitlement 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.

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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 Viou-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