

30 September 2020

NOTICE OF AGM AND CORRECTION

Attached is the Notice of Meeting for the Company's AGM to be held on 30 October 2020.

The Company further advises that resolution 9 in the Notice has been withdrawn.

For more information, please contact:

Paul Crawford

Company Secretary

Phone: +61 (7) 3369 7058

Email: info@sayonamining.com.au

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.

Please visit us as at www.sayonamining.com.au

Sayona Mining Limited

ACN 091 951 978

Notice of Annual General Meeting and Explanatory Statement

Annual General Meeting to be held at Suite 68, 283 Given Terrace, Paddington Qld 4064
on 30 October 2020 at 10.00 am AEST

NOTICE:

In accordance with subsection 5(1)(f) of the *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020* made by the Commonwealth Treasurer on 05 May 2020, the Company will not be dispatching physical copies of this Notice. Instead, this Notice and accompanying Explanatory Statements (Meeting Materials) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company's website (www.sayonamining.com.au).
- If you have provided an email address and elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting Materials and the accompanying proxy form.
- Alternatively, details of where you can access the notice of meeting, lodge a proxy and participate in the meeting are contained in a letter to be sent to other shareholders.

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser without delay.

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of Sayona Mining Limited ACN 091 951 978 (**Company**) will be held at Suite 68, 283 Given Terrace, Paddington Qld 4064 on 30 October 2020 at 10.00 am AEST, for the purpose of transacting the business referred to in this Notice.

An Explanatory Statement provides additional information on matters to be considered at the Meeting.

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AGENDA

ORDINARY BUSINESS

Receive and Consider the Financial Statements

To receive and consider:

- (a) the Financial Report;
- (b) the Directors' Report; and
- (c) the Auditor's Report,

of the Company for the year ended 30 June 2020.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That the Remuneration Report within the Directors' Report of the Company's 2020 Annual Report be adopted.”

Please note that the vote on this resolution is advisory only and does not bind the Company or its Directors.

Resolution 2 – Re-Election of James Brown as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That James Brown, who retires by rotation and who offers himself for re-election, be re-elected as a Director.”

Resolution 3: Re-Election of Dennis O'Neill as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Dennis O'Neill, who retires by rotation and who offers himself for re-election, be re-elected as a Director.”

Resolution 4 – Ratification of the issue of Shares to Exiro Mineral Corporation

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the issue of 2,717,160 Shares to Exiro Mineral Corporation, as described in the accompanying Explanatory Statement, be ratified and approved."

Resolution 5 – Ratification of the issue of Options to Jett Capital Advisors LLC

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the issue of 4,869,141 Options to Jett Capital Advisors, LLC, as described in the accompanying Explanatory Statement, be ratified and approved."

Resolution 6 – Ratification of the issue of Options to Mahe Capital Pty Ltd

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the issue of 44,426,423 Options to Mahe Capital Pty Ltd, as described in the accompanying Explanatory Statement, be ratified and approved."

Resolution 7 – Ratification of the issue of Securities to Canning Corp Pty Ltd

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the issue of 3,437,500 Shares and 1,718,750 Options to Canning Corp Pty Ltd, as described in the accompanying Explanatory Statement, be ratified and approved."

Resolution 8 – Ratification of the issue of Securities to Sophisticated Investors

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the issue of 120,416,433 Shares and 60,208,233 Options to sophisticated investors, as described in the accompanying Explanatory Statement, be ratified and approved."

Resolution 9 – Approval for the issue of Shares to Accuity Capital Pty Ltd

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, the issue of 65,593,332 Shares to Acuity Capital Pty Ltd, as described in the accompanying Explanatory Statement, be ratified and approved."

Resolution 10 – Approval to issue Shares and Options to Director Brett Lynch

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 10.11 and Part 2E of the Corporations Act and for all other purposes, the issue of 12,500,000 Shares and 6,250,000 Options to Mr Brett Lynch or his nominee within 1 month after the date of the Annual General Meeting, on the terms and conditions set out in the accompanying Explanatory Statement, be approved."

Resolution 11 – Approval to issue of the Initial Placement Shares and the Options under Battery Metals Placement Agreement

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purpose of Listing Rule 7.1 and for all other purposes, the issue of the Initial Placement Shares and the Options, pursuant to the Battery Metals Placement Agreement, to Battery Metals Capital Group, LLC, in accordance with the accompanying Explanatory Statement, be approved."

Resolution 12 – Ratification of Battery Metals’ right to subscribe for Shares in relation to the First Subscription under Battery Metals Placement Agreement

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purpose of Listing Rule 7.4 and for all other purposes, Battery Metals’ right pursuant to the Battery Metals Placement Agreement to subscribe for Shares with an aggregate value of US\$635,000 in relation to the First Subscription, in accordance with the accompanying Explanatory Statement, be ratified and approved."

Resolution 13 – Approval of Battery Metals’ right to subscribe for Shares in relation to the Second Subscription under Battery Metals Placement Agreement

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purpose of Listing Rule 7.1 and for all other purposes, Battery Metals’ right pursuant to the Battery Metals Placement Agreement to subscribe for Shares with an aggregate value of US\$1,545,000 in relation to the Second Subscription, in accordance with the accompanying Explanatory Statement, be ratified and approved."

Resolution 14 – Ratification of prior issue of Fee Shares under Battery Metals Placement Agreement

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the issue of the Fee Shares, pursuant to the Battery Metals Placement Agreement, to Battery Metals Capital Group, LLC, in accordance with the accompanying Explanatory Statement, be approved."

Resolution 15 – Approval to issue Shares to Exiro Mineral Corporation

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, the issue up to 5,000,000 Shares to Exiro Mineral Corporation, as described in the accompanying Explanatory Statement, be approved."

Resolution 16 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*"That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) (**10% Placement Facility**) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."*

VOTING EXCLUSIONS:

Resolution 1:

The Company will disregard any votes cast on Resolution 1 by or on behalf of “Key Management Personnel” (as defined in the Accounting Standards as published by the Australian Accounting Standards Board) and their “closely related parties”.

Key Management Personnel (**KMP**) are the Company’s Directors and Executives identified in the Company’s Remuneration Report. A closely related party of a KMP means a spouse or child of the KMP, a child of the KMP’s spouse, a dependant of the KMP or the KMP’s spouse and anyone else who is one of the KMP’s family and may be expected to influence the KMP, or be influenced by the KMP, in the KMP’s dealings with the Company or a company the KMP controls (**Closely Related Party**).

However, the Company need not disregard a vote if the vote is not cast on behalf of a person described above and either: (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or (b) the voter is the Chairman and the appointment of the Chairman expressly authorises the Chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Resolution 4 to 10 and 15:

The Company will disregard any votes cast on Resolutions 4 to 10 by any person who is expected to receive securities the subject of the Resolution and any person who will obtain a material benefit as a result of the proposed issue, except a benefit solely in the capacity of a Shareholder, if the resolution is passed, and any of their associates. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolutions 11 to 4:

The Company will disregard any votes cast on Resolutions 11 to 14 by any person who participated in the issue or who is a counterparty to the Battery Metals Placement Agreement and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 16:

The Company will disregard any votes cast on Resolution 16 by any person who is expected to participate in or who will obtain a material benefit as a result of the proposed issue, except a benefit solely in the capacity of a Shareholder, if the resolution is passed, and any of their associates. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

NOTES

These notes form part of the Notice of Meeting.

Time and Place of Meeting

Notice is given that a General Meeting of members will be held at Suite 68, 283 Given Terrace, Paddington Qld 4064 on 30 October 2020 at 10.00 am AEST.

Your Vote is Important

The business of the General Meeting affects your shareholding and your vote is important.

Voting Eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7 pm AEST on 28 October 2020.

Notice to Persons Outside Australia

This Explanatory Statement has been prepared in accordance with Australian laws, disclosure requirements and accounting standards. These laws, disclosure requirements and accounting standards may be different to those in other countries.

The distribution of this Explanatory Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Explanatory Statement should inform themselves of, and observe, any such restrictions.

Privacy

To assist the Company to conduct the General Meeting, the Company may collect personal information including names, contact details and shareholding of Shareholders and the names of persons appointed by Shareholders to act as proxy at the General Meeting. Personal information of this nature may be disclosed by the Company to its share registry, print and mail service providers, and the Company's agents for the purposes of implementing the Takeover. Shareholders have certain rights to access their personal information that has been collected and should contact the Company secretary if they wish to access their personal information.

ASIC and ASX involvement

Neither ASIC, ASX nor any of their officers take any responsibility for the contents of the Notice of Meeting and Explanatory Statement.

PROXY AND VOTING INSTRUCTIONS

Voting in Person

1. To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

2. To vote by proxy, please complete and sign the enclosed proxy form and return by the time and in accordance with the instructions set out on the proxy form.
3. In accordance with section 249L of the Corporations Act, members are advised that:
 - (a) each member has a right to appoint a proxy;
 - (b) the proxy need not be a member of the Company; and
 - (c) a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.
4. Certain categories of persons (including Directors and the Chairman) are prohibited from voting on Resolutions relating to the remuneration of Key Management Personnel, including as a proxy, in some

circumstances. If you are appointing a proxy, to ensure that your vote counts, please read the instructions on the Proxy Form carefully.

5. The details of the Resolutions contained in the Explanatory Statement accompanying this Notice should be read together with, and form part of, this Notice.
6. On a poll, ordinary Shareholders have one vote for every Share held.
7. A proxy may be either an individual or a body corporate. If you wish to appoint a body corporate as your proxy, you must specify on the Proxy Form:
 - (a) the full name of the body corporate appointed as proxy; and
 - (b) the full name or title of the individual representative of the body corporate to attend the Meeting.
8. Proxy appointments in favour of the Chairman, the secretary or any Director that do not contain a direction on how to vote will be voted by the Chairman in favour of each of the Resolutions proposed in this Notice. You should note that if you appoint the Chairman as your proxy, or the Chairman is appointed your proxy by default, you will be taken to authorise the Chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
9. Key Management Personnel and their Closely Related Parties will not be able to vote your proxy on Resolution 1 unless you direct them how to vote. This does not apply to the Chairman, who is able to vote undirected proxies. If you intend to appoint a member of the Key Management Personnel as your proxy, please ensure that you direct them how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" on the Proxy Form. If you intend to appoint the Chairman as your proxy, you can direct him to vote by marking either "For", "Against" or "Abstain" on the box for Resolution 1 on the Proxy Form, or by marking the Chairman's box on the Proxy Form (in which case the Chairman will vote in favour of these items of business and all other Resolutions included in the Notice).
10. Proxy Forms must be signed by a Shareholder or the Shareholder's attorney or, if a corporation, executed under seal or in accordance with section 127 of the Corporations Act, or signed by an authorised officer or agent.
11. A Proxy Form is attached. If required, it should be completed, signed (and if the appointment is signed by the appointer's attorney, the original authority under which the appointment was signed or a certified copy of the authority). Proxy forms must be returned in accordance with the instructions on the proxy form.

Voting by Corporate Representative

12. A body corporate that is a Shareholder, or that has been appointed as a proxy, may appoint an individual to act as its representative at the General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the General Meeting, evidence of appointment, including any authority under which it is signed, unless it has previously been given to the Company.

Voting by Attorney

13. A Shareholder may appoint an attorney to vote on their behalf. For an appointment to be effective for the Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company no later than 10.00am AEST, 28 October 2020.

By order of the Board

Paul Crawford
Company Secretary
Sayona Mining Limited
28 September 2020

EXPLANATORY STATEMENT

Purpose of this Explanatory Statement

This Explanatory Statement is provided to Shareholders to explain the Resolutions to be put to Shareholders at the Annual General Meeting to be held at Suite 68, 283 Given Terrace, Paddington Qld 4064 on 30 October 2020 at 10.00 am AEST.

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Statement in full before making any decision in relation to the Resolutions.

For proxies without voting instructions that are exercisable by the Chairman, the Chairman intends to vote undirected proxies in favour of each Resolution. If you wish to appoint the Chairman as your proxy with a direction to vote against, or to abstain from voting on an item of business, you should specify this by completing the appropriate 'Against' or 'Abstain' box on the proxy appointment form. The Chairman is deemed to be appointed where a signed proxy form is returned which does not contain the name of the proxy or where the person appointed on the form is absent.

In addition, the Corporations Act provides for a "two strikes" rule in relation to the adoption of the Remuneration Report, meaning that if 25% or more of votes cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (referred to as a "spill resolution") to determine whether another meeting should be held (within 90 days) at which all of the Directors (other than the Managing Director) must go up for re-election. No strike was recorded at the Company's previous annual general meeting. On this basis, while the vote on the Remuneration Report at this Meeting may potentially be counted towards two strikes in the future, no board spill can occur this year.

Receive and Consider the Financial Statements

The Corporations Act requires the Financial Report which includes the Financial Statements, Directors' Declaration, Directors' Report and the Auditor's Report to be laid before the Annual General Meeting. There is no requirement either in the Corporations Act or in the Constitution of the Company for Shareholders to approve the Financial Report, the Directors' Report or the Auditor's Report. Accordingly, the Company's Financial Report is placed before the Shareholders for discussion and no voting is required for this item of business.

Shareholders will have a reasonable opportunity at the Meeting to ask questions and make comments on these reports and on the business and operations of the Company.

Resolution 1: Adoption of Remuneration Report

The Remuneration Report of the Company for the period ended 30 June 2020 is set out in the Directors' Report section of the Company's 2020 Annual Report to Shareholders (**Remuneration Report**).

The Remuneration Report sets out the Company's remuneration arrangements for the executive and non-executive Directors. A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting. In addition, section 250R(2) of the Corporations Act requires that Resolution 1 be put to a vote. However, the vote on this Resolution is only advisory and does not bind the Company or its Directors.

Under the Corporations Act, a 'two strikes and re-election' process in relation to the shareholder vote on the Remuneration Report is required and provides that:

- A 'first strike' will occur if this Remuneration Report resolution receives a 'no' vote of 25% or more. If this occurs, the Company's subsequent remuneration report will contain an explanation of the Board's proposed action in response to the 'no' vote or an explanation of why no action has been taken by the Board.
- A 'second strike' will occur if the resolution to adopt the remuneration report at the next Annual General Meeting of the Company also receives a 'no' vote of 25% or more. If this occurs, the shareholders will vote at that Annual General Meeting to determine whether the Directors will need to stand for re-election at a separate, subsequent meeting (the 'spill resolution'). If this spill resolution passes with 50% or more of the eligible votes cast, the spill meeting must take place within 90 days.

The Company has not received a first strike.

Directors' recommendation

The Board recommends that Shareholders vote in favour of Resolution 1.

Resolution 2 – Re-Election of James Brown as a Director

In accordance with Director rotational retirement provisions of the Company's Constitution and ASX Listing Rule 14.5, Mr James Brown is due to retire at this Meeting and being eligible, offers himself for re-election at this Meeting.

Mr Brown is a mining engineer with more than 30 years' experience in the coal mining industry in Australia and Indonesia, including 22 years at New Hope Corporation. He was appointed as Managing Director of Altura in September, 2010 and was previously Altura's Group General Manager since December 2008. His coal development and operations experience includes the New Acland and Jeebropilly mines in South East Queensland, the Adaro and Multi Harapan Utama operations in Indonesia and Blair Athol in the Bowen Basin in Central Queensland.

The Board (with Mr Brown abstaining) supports the re-election of Mr Brown.

Resolution 3 – Re-Election of Dennis O'Neill as a Director

In accordance with Director rotational retirement provisions of the Company's Constitution and ASX Listing Rule 14.5, Mr O'Neill is due to retire at this Meeting and being eligible, offers himself for re-election at this meeting.

Mr O'Neill has been a Board member since 2000 and retired as Managing Director in August 2019. He has over 40 years' experience in exploration project and corporate management and has held positions with a number of Australian and multinational exploration companies managing exploration and development programs in a diverse range of commodities and locations.

The Board (Mr O'Neill abstaining), supports the re-election of Mr O'Neill.

Resolution 4 – Ratification of the issue of Shares to Exiro Mineral Corporation

Background to Resolution 4:

On 15 April 2019, the Company announced to the ASX that it had acquired a 100% interest in Lac Simard lithium prospect, Val d'Or, Quebec, from privately owned Exiro Minerals Corporation (**Exiro**). The consideration paid for the acquisition was made up of cash and share payments and undertaking work on the property over a three-year period, with Exiro retaining a 2% net smelter return royalty. Under the terms of the acquisition, the Company issued 2,717,160 Shares valued at \$34,344.90 to Exiro.

Listing Rules:

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in an general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 4:

Name of person to whom Shares were issued	Exiro Mineral Corporation.
Number of securities issued	2,717,160 Shares.
Issue price of securities	Shares were issued at \$0.0126 per Share.
Terms of issue	The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
Date of issue	8 April 2020.
Consideration	No funds were raised from this issue.

Purpose of the issue	Consideration for the acquisition of the Company's 100% interest in Lac Simard lithium prospect, Val d'Or, Quebec.
Voting exclusion	A voting exclusion statement is set out in the Notice of Meeting.

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of this Resolution.

Resolution 5 – Ratification of the issue of Options to Jett Capital Advisors LLC

Background to Resolution 5:

On 9 June 2019, the Company entered into a mandate with Jett Capital Advisors LLC (**Jett Capital**) to provide services to the Company in relation to its capital raising facility with Obsidian Global GP, LLC. The mandate provided for the settlement of fees through cash and options

Listing Rules:

Please refer to the section "Listing Rules" in relation to Resolution 4, which also applies to Resolution 5.

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 5:

Name of person to whom Options will be issued	Jett Capital Advisors LLC.
Number of securities to be issued	4,869,141 unlisted Options.
Issue price of securities	Options will be issued for nil consideration.
Terms of issue	The Options can be exercised at an exercise price of \$0.012 per Option, and expire on 17 February 2023.
Date of issue	17 February 2020.
Consideration	No funds will be raised from the issue.
Purpose of the issue	Consideration to Jett Capital for services provided to the Company.
Voting exclusion	A voting exclusion statement is set out in the Notice of Meeting.

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of this Resolution.

Resolution 6 – Ratification of the issue of Options to Mahe Capital Pty Ltd

Background to Resolution 6

On 12 March 2020, the Company issued a Prospectus for a renounceable pro rata entitlement issue (**Offer**) partially underwritten by Mahe Capital Pty Ltd (**Mahe**) for the issue of up to 525 million Shares and 1 free attaching Option for every 2 Shares taken up under the Offer.

Pursuant to the Company's underwriting agreement with Mahe, the Company also agreed to:

- (a) Issue 8 free Options for every \$1 raised under the Offer, to Mahe;
- (b) Pay an underwriting fee of \$60,000 in cash or by the issue of Shares and attaching free Options on a 1:2 basis; and

- (c) Pay a further fee of 1% of the total amount raised in cash or by the issue of Shares and attaching free options on a 1:2 basis.

Listing Rules:

Please refer to the section "Listing Rules" in relation to Resolution 4, which also applies to Resolution 6.

Accordingly, the Company issued the following Options to Mahe and Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 6:

Name of person to whom Options will be issued	Mahe Capital Pty Ltd.
Number of securities to be issued	42,426,423 listed Options.
Issue price of securities	Options will be issued for nil consideration.
Terms of issue	The Options can be exercised at an exercise price of \$0.02 per Option, and expire on 29 April 2023.
Date of issue	29 April 2020 – 20,426,423. 22 July 2020 – 22,000,000.
Consideration	No funds will be raised from the issue.
Purpose of the issue	Consideration to Maye Capital for services provided to the Company.
Voting exclusion	A voting exclusion statement is set out in the Notice of Meeting.

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of this Resolution.

Resolution 7 – Ratification of the issue of Securities to Canning Corp Pty Ltd

Background to Resolution 7

In relation to Offer described in this section in relation to Resolution 6, the terms of the Offer provided for the placement of any shortfall arising under the Offer. Accordingly, the Company issued 3,437,500 Shares and 1,718,750 listed Options to Canning Corp Pty Ltd as a shortfall placement under the Offer.

Listing Rules

Generally, placement of such a shortfall does not affect the Company's 15% issue capacity under Listing Rule 7.1, as a result of Listing Rule 7.2 Exception 3.

However, since the shortfall placement to Canning Corp Pty Ltd occurred more than 3 months after the close of the Offer, Exception 3 in Listing Rule 7.2 does not apply and as a result, the rules set out in the section "Listing Rules" in relation to Resolution 4, also apply to Resolution 7.

Accordingly, pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 7:

Name of person to whom Securities will be issued	Canning Corp Pty Ltd.
Number of securities to be issued	3,437,500 Shares and 1,718,750 listed Options.
Issue price of securities	Shares were issued at \$0.008 per Share, nil consideration for Options.
Terms of issue	The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the

	Company's existing Shares. The Options can be exercised at an exercise price of \$0.02 per Option, and expire on 29 April 2023.
Date of issue	7 August 2020.
Consideration	Shares: Cash. Option: Nil.
Purpose of the Issue	The issue of Shares is aimed at raising capital and reducing the shortfall generated under the Offer. The funds will be used as stated in the Company's Prospectus dated 12 March 2020.
Voting exclusion	A voting exclusion statement is set out in the Notice of Meeting.

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of this Resolution.

Resolution 8 – Ratification of the issue of Securities to Sophisticated Investors

Background to Resolution 8

On 22 July 2020, the Company announced to the ASX that the shortfall placement under the Offer described in this section in relation to Resolution 6 was oversubscribed and that the Company had issued an additional 120,416,433 Shares and 60,208,233 free attaching Options to certain sophisticated investors introduced by Mahe Capital Pty Ltd.

Listing Rules

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in an general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Accordingly, in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 8:

Name of person to whom Securities will be issued	Sophisticated investors introduced by Mahe Capital Pty Ltd.
Date of issue	22 July 2020.
Number of securities to be issued	120,416,433 Shares. 60,208,233 free attaching Options.
Issue price of securities	Shares: \$0.008. Options: Nil.
Terms of issue	The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Options can be exercised at an exercise price of \$0.02 per Option, and expire on 29 April 2023.

Voting exclusion	A voting exclusion statement is set out in the Notice of Meeting.
Use of funds	Working capital.

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of this Resolution.

Resolution 9 – Approval for the issue of Shares to Accuity Capital Pty Ltd

Background to Resolution 9

On 29 October 2019, the Company announced entry into a "Controlled Placement Agreement" (CPA) with Accuity Capital Pty Ltd (**Accuity**). The CPA provided for a \$3,000,000 capital facility drawable at Sayona's election at times, issue prices and numbers chosen by Sayona. Pursuant to the CPA, Sayona issued 95,000,000 Shares to Accuity on 27 November 2019 to serve as "Collateral Shares" under the CPA.

After that date and up to the date of the Meeting, Accuity has sold 53,700,000 of those Shares and Sayona now seeks approval to "top up" Accuity's holding of "Collateral Shares" pursuant to the CPA back to 95,000,000 by the issue of 65,593,332 new Collateral Shares to Accuity pursuant to the CPA.

Listing Rules:

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in an general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

The Company seeks approval for the issue of 65,593,332 new Collateral Shares to Accuity to "top up" Sayona's facility under CPA, which will likewise enable the Company to retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without additional Shareholder approvals.

Provision of information under the Listing Rules:

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 9:

Name of person to whom Shares will be issued	Accuity Capital Pty Ltd.
Number of securities to be issued	65,593,332 Shares.
Issue price of securities	\$0.00934.
Terms of issue	The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
Date of issue	The Shares will be issued immediately following the Meeting.
Consideration	\$612,642.
Purpose of the issue	To refresh the Company's capacity to draw down, at its election, on the facility provided under the CPA.
Voting exclusion	A voting exclusion statement is set out in the Notice of Meeting.

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of Resolution.

Resolution 10 – Approval to issue Shares and Options to Director Brett Lynch

Background to Resolution 10

Given the shortfall remaining at the close of the Offer, Mr Brett Lynch has agreed to contribute \$100,000 of his personal funds towards Shares and Options represented by the shortfall.

Regulatory issues

Related Party Transactions and the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party unless either:

- (c) the giving of the financial benefit falls within one of the nominated exceptions to the relevant provisions of the Corporations Act; or
- (d) prior Shareholder approval is obtained to the giving of the financial benefit.

As a director of the Company, Mr Lynch is a related party of the Company for the purposes of Chapter 2E of the Corporations Act. The issue of Shares and Options to Mr Lynch as a Director constitutes a "financial benefit" as defined in the Corporations Act (section 229).

Section 210 of the Corporations Act provides an exception to obtaining Shareholder approval for giving a financial benefit to a related party under Chapter 2E, if the financial benefit is given on "arm's length" terms.

The Shares and Options proposed to be issued to Mr Lynch are on terms equivalent to those offered under the Offer and the Directors (Mr Lynch abstaining) therefore consider that the arm's length exception set out in section 210 of the Corporations Act, applies. The directors have therefore formed the view that Resolution 10 does not require shareholder approval pursuant to section 208 of the Corporations Act.

ASX Listing Rule 10.11

Listing Rule 10.11 requires a listed company to obtain Shareholder approval by ordinary resolution prior to the issue of securities to a related party of the Company.

Accordingly, approval for the proposed issue of Shares and Options to Mr Lynch is required pursuant to Listing Rule 10.11. If approval is given under Listing Rule 10.11, separate approval is not required under Listing Rule 7.1. Shareholders should therefore note that if the issue of Shares and Options to Mr Lynch is approved under Listing Rule 10.11, the issue will not be included in the Company's 15% calculation for the purposes of Listing Rule 7.1.

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 10:

Name of person to whom Securities will be issued	Mr Brett Lynch.
Relationship to Company	Related Party.
Number and class of securities	Fully paid ordinary shares; and Options.
Number of securities to be issued	12,500,000 Shares and 6,250,000 listed Options.
Terms of issue	Ordinary Shares The Shares will rank equally with all of the Company's other fully paid ordinary Shares on issue. Listed Options: (e) The Options may be exercised at a price of \$0.02 per Option and expire on 29 April 2023. (f) The Options will be issued for no consideration.

	<p>(g) Each Option entitles the holder to be issued one Share upon exercise.</p> <p>(h) 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.</p> <p>(i) The Options will be listed on the ASX.</p> <p>(j) All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then issued Shares.</p> <p>(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, subject to the Listing Rules.</p> <p>(l) 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.</p>
Date of issue	The Shares and attaching Options will be issued within 1 month of the Meeting.
Issue Price	Issue price of the Shares is \$0.008 per Share and the Options are issued for nil consideration.
Purpose of the issue	The issue is aimed at reducing the shortfall generated under the Offer and the funds will be used as stated in the Company's Prospectus dated 12 March 2020.
Voting exclusion	A voting exclusion statement is set out in the Notice of Meeting.

Resolutions 11 to 14 – Approval for Shares and Options to be issued pursuant to the Battery Metals Placement Agreement

Background to Resolutions 11 to 14:

As announced to ASX on 7 September 2020, the Company has entered into a Battery Metals Placement Agreement (**Battery Metals Placement Agreement**) with Battery Metals Capital Group, LLC (**Battery Metals**) to raise up to US\$8,000,000 of funding, as further described below.

The material terms of the Battery Metals Placement Agreement are:

(a) Subscriptions

The Company may access funding under the Battery Metals Placement Agreement under the following subscriptions for Shares:

- (i) Battery Metals made an initial investment of US\$585,000 on 11 September 2020 (**First Closing**). In consideration of the initial investment, the Company granted Battery Metals the right to subscribe for Shares with an aggregate value of US\$635,000 (**First Subscriptions**);
- (ii) subject to the Company obtaining Shareholder approval pursuant to Resolutions 11 and 13, Battery Metals will make a second investment of US\$1,415,000 on the third Business Day following the Meeting (**Second Closing**). In consideration of this second investment, the Company granted Battery Metals the right to subscribe for Shares with an aggregate value of US\$1,545,000 (**Second Subscriptions**);

In addition, subject to the Company exercising its right (**Put Right**), the Company may access additional funding under the Battery Metals Placement Agreement under the following subscriptions for Shares:

- (iii) if (and only if) the Company exercises its Put Right in relation thereto, Battery Metals will make a third investment of US\$2,000,000. In consideration of this third investment, the Company granted Battery Metals the right to subscribe for Shares with an aggregate value of US\$2,180,000 (**Third Subscription**). If (and only if) the Company exercises its Put Right in relation to the third investment, the Third Subscription will occur six months following the Second Closing (**Third Closing**). Unless and until the Company exercises the Put Right in relation to the Third Subscription, the Company has no obligation in relation to Third Subscription. Accordingly, the Company is not required to seek Shareholder approval of the Third Subscription;
- (iv) if (and only if) the Company exercises its Put Right in relation thereto, Battery Metals will make a fourth investment of US\$2,000,000. In consideration of this fourth investment, the Company granted Battery Materials the right to subscribe for Shares with an aggregate value of US\$2,180,000 (**Fourth Subscription**). If (and only if) the Company exercises its Put Right in relation to the fourth investment, the Fourth Subscription will occur twelve months following the Second Closing (**Fourth Closing**). Unless and until the Company exercises the Put Right in relation to the fourth investment, the Company has no obligation in relation to Fourth Subscription. Accordingly, the Company is not seeking Shareholder approval of the Fourth Subscription; and
- (v) if (and only if) the Company exercises its Put Right in relation thereto, Battery Metals will make a fifth investment of US\$2,000,000. In consideration of this fifth investment, the Company granted Battery Metals the right to subscribe for Shares with an aggregate value of US\$2,180,000 (**Fifth Subscription** and, together with the First Subscription, the Second Subscription, Third Subscription and Fourth Subscription, the **Subscriptions** and each, a **Subscription**). If (and only if) the Company exercises its Put Right in relation to the fifth investment, the Fifth Subscription will occur eighteen months following the Second Closing (**Fifth Closing** and together with the First Closing, the Second Closing, the Third Closing and the Fourth Closing, the **Closings** and each, a **Closing**). Unless and until the Company exercises the Put Right in relation to the fifth investment, the Company has no obligation in relation to Fifth Subscription. Accordingly, the Company is not seeking Shareholder approval of the Fifth Subscription.

If the Company does not affirmatively exercise the Put Right in relation to the third investment, the fourth investment or the fifth investment prior to 30 days before the relevant Closing of that investment, the Company will relinquish the right to receive those investments, as applicable.

If, at the time of a Closing, the Market Capitalisation Amount is less than the investment amount in relation to such Closing, Battery Metals may elect to reduce the investment amount to an amount equivalent to the Market Capitalisation Amount.

During the first 90 days after the entry into the Battery Metals Placement Agreement, the Company has the right to make a cash payment equal to the entire amount of Subscription then outstanding, in lieu of issuing shares in relation to that outstanding Subscription, subject to Battery Metals' right to exclude up to 30% of such Subscription from the Company's payment right.

The investment contemplated by each Subscription is subject to conditions precedent customary for an investment agreements of the nature of the Battery Metals Placement Agreement.

(b) **Exercise of Right to subscribe for Shares in Relation to Subscriptions**

Battery Metals may elect to exercise its right to subscribe for Shares (at one or more times, from time to time) in relation to all or any part of a Subscription that have occurred any time before eighteenth months after the Closing of that Subscription (the **End Date**).

Set out below are indicative End Dates for the First Subscription, the Second Subscription and Third Subscription:

- (i) the End Date for the First Subscription is 17 March 2022;
- (ii) assuming the Second Subscription is made, the End Date for the Second Subscription will be 2 May 2022; and
- (iii) assuming the Third Subscription is made, the End Date for the Third Subscription will be 2 November 2024.

The Company notes that the End Dates above are illustrative only and the actual End Date may vary depending on the dates on which investments are made under the Subscription Agreement.

If there are any Subscriptions that remain outstanding on the End Date, Battery Metals will be required to exercise its right to subscribe for Shares in relation to those Subscriptions on the first ASX trading day following the End Date.

The number of Shares to be issued upon exercise of Battery Metals' right to subscribe for Shares in relation to the Subscriptions will be determined in accordance with the formula below:

$$A = B / (C * D)$$

Where:

“A” = The number of Shares to be issued to Battery Metals (or its nominee).

“B” = The amount of the relevant Subscription (or any part thereof) in relation to which Battery Metals has elected to exercise its right to subscribe for Shares (e.g. the maximum value of B would be US\$635,000 in respect of exercise of Battery Metals' right to subscribe for Shares in relation to the First Subscription).

“C” = The average of five-daily volume-weighted average prices as selected by Battery Metals (in its sole discretion) (**Relevant VWAPS**) during the 20 consecutive actual trading days immediately prior to the date the Company receives notice of Battery Metals' election to exercise its right to subscribe for Shares in relation to the Subscription (rounded down to the nearest 1/10th of a cent if the share price is at 10 cents or below, or half a cent if the share price is above 10 cents) (**Purchase Price**).

“D” = 92% (Short-Term Discount) or, if the relevant Subscription has been outstanding for longer than nine months, 90% (Long-Term Discount).

Battery Metals will calculate the Australian Dollar equivalent for "B" by adopting the lowest single daily (New York Time) AUD – USD spot bid exchange rate quoted in the period of five Business Days prior to Battery Metals' exercising its right to subscribe for Shares.

For the avoidance of doubt, where an issue of Shares under the Battery Metals Placement Agreement would result in the voting power of Battery Metals or any other person exceeding 19.99%, the Company will not issue the relevant Shares to Battery Metals. In these circumstances Battery Metals may either elect to postpone the issue of Shares or require that the Company make a payment to Battery Metals of an amount equal to the amount of the Subscription (or the part thereof) in relation to which Shares were to be issued.

(c) **Initial Placement Shares**

Subject to the Company obtaining Shareholder approval pursuant to Resolutions 11 and 13, the Company will issue 45,000,000 Shares (**Initial Placement Shares**) to Battery Metals at the time of the Second Closing, in consideration of Battery Metals' agreement to make the second investment.

At any time following the issue of the Initial Placement shares, Battery Metals may elect to apply some or all of the Initial Placement Shares towards the aggregate number of Shares which are required to be issued by the Company in respect of the exercise of Battery Metals' right to subscribe for Shares in relation to the Subscriptions (as described above) (the **Offset Right**).

The number of Initial Placement Shares issued to Battery Metals (or its nominee) is referred to as the Initial Shareholding Number. If Battery Metals elects to exercise its Offset Right, the Initial Shareholding Number will be reduced by the number of Shares which are applied towards the Shares the Company would otherwise be required to issue in respect of the exercise of Battery Metals' right to subscribe for Shares in relation to the Subscriptions.

If the Initial Shareholding Number is greater than zero on the date (the **Final Date**) that is the later of:

- (i) the date of termination of the Battery Metals Placement Agreement; and
- (ii) the date by which all of the Subscription under the Battery Metals Placement Agreement that can be made have been made and all of the Shares issuable in relation to those Subscriptions have been issued,

Battery Metals must, by no later than five Business Days after the Final Date (and may, in its sole discretion, at any earlier time), make a further payment to the Company equal to the Initial Shareholding Number multiplied by the then applicable Purchase Price.

When Battery Metals requests the Company issue Shares, the Company may elect (in lieu of issuing those Shares) to make a payment to Battery Metals based on the prevailing Share price.

(d) **Fees**

The Company has also agreed:

- (i) to pay a fee to Battery Metals (or its nominee) of US\$200,000 (equivalent to 3% of the maximum funding amount under the Battery Metals Placement Agreement), which was satisfied by way of an

issue of 39,545,230 Shares on 7 September 2020 under the Company's existing placement capacity under Listing Rule 7.1 (**Fee Shares**); and

- (ii) subject to the Company obtaining Shareholder approval pursuant to Resolution 11, to issue Battery Metals (or its nominee) 48,000,000 unlisted Options exercisable at \$0.013 each on or before the date that is 36 months after the date of issue (the **Options**).

(e) **Events of Default**

The Battery Metals Placement Agreement contains customary events of default, which include, but are not limited to:

- (i) a material breach of the Battery Metals Placement Agreement by the Company;
- (ii) the Company's Shares being suspended from trading on ASX for more than an agreed number of days; and
- (iii) the occurrence of a material adverse event.

(f) **Termination following an Event of Default**

On termination following an event of default, Battery Metals:

- (i) is not required to make any further funding available under the Battery Metals Placement Agreement; and
- (ii) to the extent that the Company has not yet issued Shares in relation to a Subscription that has arisen under the Battery Metals Placement Agreement, Battery Metals has the right to require the Company to repay the amount of such Subscription, with a default interest rate of 12% per annum to apply.

The Battery Metals Placement Agreement otherwise contains terms customary for an agreement of this nature.

Examples of the effect of the Placement Shares on Sayona's share capital

Sayona's Shares closed at \$0.01 on the trading day preceding the issue of this Notice. By way of example and assuming that Battery Metals elects to exercise its right to subscribe for Shares in respect of the First Subscription and Second Subscription, being a right to subscribe for Shares with the value of US\$2,180,000 and that the Relevant VWAPs (applying the Standard Discount of 8%) average below, and adopting a AUD - USD exchange rate of 0.73, the following sets out the total number of Placement Shares that may be issued under the Battery Metals Placement Agreement:

Relevant VWAPs	Maximum Number of Placement Shares*
\$0.010	324,597,975
\$0.008	405,747,469
\$0.006	540,996,625
\$0.004	811,494,937
\$0.001	3,245,979,750

Applying the Special Discount of 10% to the **Relevant VWAPs**, the following sets out the total number of Placement Shares that may be issued under the Battery Metals Placement Agreement in relation to the First Subscription and Second Subscription:

Relevant VWAPs	Maximum Number of Placement Shares*
\$0.010	331,811,263
\$0.008	414,764,079
\$0.006	553,018,772
\$0.004	829,528,158
\$0.001	3,318,112,633

**In addition, the Company has agreed to issue the Options and the Initial Placement Shares.*

As set out in Section (b) above, where an issue of Shares under the Battery Metals Placement Agreement would result in the voting power of Battery Metals or any other person exceeding 19.99%, the Company will not issue the relevant Shares to Battery Metals. In these circumstances Battery Metals may either elect to postpone the issue of

Shares or require that the Company make a payment to Battery Metals of an amount equal to the amount of the Subscription (or the part thereof) in relation to which Shares were to be issued.

The Company notes that as there is no limitation upon the maximum number of Shares that may be issued to Battery Metals (or its nominee) on exercise of a right to subscribe for Shares in respect of a Subscription, the exercise of such right could be highly dilutive to existing Shareholders if the market price of Shares falls substantially prior to the date of exercise of the right or if the AUD - USD exchange rate decreases.

Accordingly, the Company notes that the above workings are an example only and the actual issue price may differ. This will result in the maximum number of Shares to be issued and the dilution percentage to also differ.

Resolution 11 – Approval for the Initial Placement Shares and the Options to be issued pursuant to the Battery Metals Placement Agreement

Background to Resolution 11:

Resolution 11 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Initial Placement Shares and the Options.

The Company has agreed that the proposed issue of the issue of the Initial Placement Shares and the Options is conditional on Shareholder approval being obtained in accordance with Exception 17 to Listing Rule 7.2. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1.

Listing Rules:

If Resolution 11 is passed, the Company will be able to proceed with the issue of issue of the Initial Placement Shares and the Options. In addition, the issue of issue of the Initial Placement Shares and the Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 11 is not passed, the Company will not be able to proceed with the issue of issue of the Initial Placement Shares and the Options. In these circumstances, the Company will not have satisfied a condition precedent to the second investment (or, subject to the Company exercising the Put Right in relation thereto, the third investment, the fourth investment or the fifth investment), and thus Battery Metals will be under no obligation to proceed with those investments.

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided with regard to the ratification under Resolution 11:

Name of person to whom the Initial Placement Shares and Battery Metals Options will be issued	Battery Metals Capital Group, LLC.
Number and class of securities	Fully paid ordinary shares; and Unlisted Options.
Number of securities to be issued	<u>Shares:</u> 45,000,000 <u>Options:</u> 48,000,000
Terms of issue	<u>Shares:</u> The Initial Placement Shares will rank equally with all of the Company's other fully paid ordinary Shares on issue. <u>Options:</u> The Options are exercisable at \$0.013. The Options must be exercised within 36 months from issue date (Expiry Date). (a) The Options will be issued for no consideration under the Battery Metals Placement Agreement. (b) Each Option entitles the holder to be issued one Share upon exercise. (c) 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.

	<p>(d) The Options will not be listed on the ASX.</p> <p>(e) All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then issued Shares.</p> <p>(f) 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, subject to the Listing Rules.</p> <p>(g) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company or bonus issues of Equity Securities, all rights of the Option holder will be reconstructed (as appropriate) in accordance with the ASX Listing Rules.</p>
Date of issue	<p><u>Shares:</u> Immediately following the Meeting.</p> <p><u>Options:</u> Immediately following the Meeting.</p>
Issue Price	<p><u>Shares:</u> The Initial Placement Shares will be issued in consideration of Battery Metals' agreement to make the second investment (and thus for no cash consideration). As set out in Section (c) of the Background to Resolutions 11 to 14 above, in accordance with the terms of the Battery Metals Placement Agreement, Battery Metals may elect to apply some or all of the Initial Placement Shares towards the aggregate number of Shares which are required to be issued by the Company in respect of the exercise of Battery Metals' right to subscribe for Shares in relation to the Subscriptions or acquire the Initial Placement Shares by making a further payment to the Company equal to the Initial Shareholding Number multiplied by the Purchase Price.</p> <p><u>Options:</u> Nil cash consideration.</p>
Purpose of the issue	<p><u>Shares:</u> The purpose of the issue of the Initial Placement Shares is to satisfy the Company's obligations under the Battery Metals Placement Agreement.</p> <p><u>Options:</u> The purpose of the issue of the Options is to satisfy the Company's obligations under the Battery Metals Placement Agreement.</p>
Voting exclusion	A voting exclusion statement is set out in the Notice of Meeting.

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of this Resolution.

Resolution 12 – Ratification of Battery Metals' right to subscribe for Shares in relation to the First Subscription under Battery Metals Placement Agreement

Background to Resolution 12:

Resolution 12 seeks Shareholder ratification pursuant to Listing Rule 7.4 for Battery Metals' right to subscribe for Shares with the value of US\$635,000 in relation to the First Subscription.

Listing Rules:

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in an general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 12:

Name of person to whom Subscription will be issued	Battery Metals Capital Group, LLC.													
Date of issue	The First Subscription was made on the terms summarised in Section (a) of the Background to Resolutions 11 to 14 on 11 September 2020.													
Number of Shares issuable in relation Subscription	<p>Battery Metals must exercise the right to subscribe for Shares (at one or more times, from time to time) in relation to the First Subscription by the the End Date for the First Subscription, as set out in Section (b) of the Background to Resolutions 11 to 14, by providing the Company with notice (Settlement Notice). Shares must be issued on the date set out in the Settlement Notice, which must be at least one trading day after the date of receipt of the Settlement Notice. As noted in in Section (b) of the Background to Resolutions 11 to 14, Battery Metals must exercise the right to subscribe for the Shares (at one or more times, from time to time) in relation to the First Subscription on or before the first ASX trading day following the End Date for the First Subscription.</p> <p>Following the exercise of the right to subscribe for Shares in relation to the First Subscription, the Company must issue Battery Metals (or its nominee) US\$635,000 worth of Shares (in the aggregate together with all prior exercises in relation to the First Subscription) calculated in accordance with the formula set out in Section (b) of the Background to Resolutions 11 to 14. The following table shows the number of Shares which will be issued based on the Relevant VWAPs set forth below, assuming Shares are issued in relation to the entire First Subscription, using the Long-Term Discount and adopting a AUD - USD exchange rate of 0.73.</p> <table border="1" data-bbox="774 1637 1430 1968"> <thead> <tr> <th data-bbox="774 1637 1102 1800">Relevant VWAP</th> <th data-bbox="1102 1637 1430 1800">Number of Shares issued on exercise of the right to subscribe for Shares in respect of the entire First Subscription</th> </tr> </thead> <tbody> <tr> <td data-bbox="774 1800 1102 1839">0.01</td> <td data-bbox="1102 1800 1430 1839">96,651,446</td> </tr> <tr> <td data-bbox="774 1839 1102 1877">0.008</td> <td data-bbox="1102 1839 1430 1877">120,814,307</td> </tr> <tr> <td data-bbox="774 1877 1102 1915">0.006</td> <td data-bbox="1102 1877 1430 1915">161,085,743</td> </tr> <tr> <td data-bbox="774 1915 1102 1953">0.004</td> <td data-bbox="1102 1915 1430 1953">241,628,615</td> </tr> <tr> <td data-bbox="774 1953 1102 1991">0.001</td> <td data-bbox="1102 1953 1430 1991">966,514,460</td> </tr> </tbody> </table> <p>The Company notes that the figures set forth in the table above are illustrative only and the actual number of Shares issued on exercise of the right to subscribe for</p>		Relevant VWAP	Number of Shares issued on exercise of the right to subscribe for Shares in respect of the entire First Subscription	0.01	96,651,446	0.008	120,814,307	0.006	161,085,743	0.004	241,628,615	0.001	966,514,460
Relevant VWAP	Number of Shares issued on exercise of the right to subscribe for Shares in respect of the entire First Subscription													
0.01	96,651,446													
0.008	120,814,307													
0.006	161,085,743													
0.004	241,628,615													
0.001	966,514,460													

	Shares (at one or more times, from time to time) in respect of the First Subscription will vary depending on the actual Purchase Price and AUD - USD exchange rate used in relation to such issues.
Consideration for Subscription	The First Subscription was made in consideration for the investment of US\$585,000. The Company has not and will not receive any other consideration for the First Subscription.
Terms of Subscription	The First Subscription was made on the terms summarised in Section (a) of the Background to Resolutions 11 to 14.
Voting exclusion	A voting exclusion statement is set out in the Notice of Meeting.
Use of funds	The issue is aimed at raising funds for the Company's acquisition of North American Lithium Inc. (the subject of multiple previous ASX announcements), development of its other projects and working capital.

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of this Resolution.

Resolution 13 – Approval of Battery Metals' right to subscribe for Shares in relation to the Second Subscription under Battery Metals Placement Agreement

Background to Resolution 13:

Resolution 13 seeks Shareholder approval for the purposes of Listing Rule 7.1 for Battery Metals' right to subscribe for Shares with the value of US\$1,545,000 in relation to the Second Subscription.

The Company has agreed that the Second Subscription is conditional on Shareholder approval being obtained in accordance with Exception 17 to ASX Listing Rule 7.2. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1.

Listing Rules:

If Resolution 13 is passed, Battery Metals will, subject to satisfaction of the conditions precedent, provide the Company with US\$1,415,000 of funding, and Battery Metals will have the right to subscribe for Shares in relation to the Second Subscription. In addition, any Shares issued in relation to the Second Subscription will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 13 is not passed, the Company will not be able to proceed with the Second Subscription and will not have access to the additional US\$1,415,000 of funding.

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided with regard to the ratification under Resolution 13:

Name of person to whom Subscription will be issued	Battery Metals Capital Group, LLC.
Date of issue	The Second Subscription will be made on the terms summarised in Section (a) of the Background to Resolutions 11 to 14 on the third Business Day following the Meeting.
Number of Shares issuable in relation Subscription	If the second investment is made, which will create the right to subscribe for Shares in relation to the Second Subscription, Battery Metals must exercise the right to subscribe for those Shares (at one or more times, from time to time) by the the End Date for the Second Subscription, as set out in Section (b) of the Background

	<p>to Resolutions 11 to 14, by providing the Company with a Settlement Notice. Shares must be issued on the date set out in the Settlement Notice, which must be at least one trading day after the date of receipt of the Settlement Notice. As noted in in Section (b) of the Background to Resolutions 11 to 14, Battery Metals must exercise the right to subscribe for the Shares (at one or more times, from time to time) in relation to the First Subscription on or before the first ASX trading day following the End Date for the Second Subscription.</p> <p>Following the exercise of the right to subscribe for Shares in relation to the Second Subscription, the Company must issue Battery Metals (or its nominee) US\$1,545,000 worth of Shares (in the aggregate together with all prior exercises in relation to the Second Subscription) calculated in accordance with the formula set out in Section (b) of the Background to Resolutions 11 to 14. The following table shows the number of Shares which will be issued based on the Relevant VWAPs set forth below, assuming Shares are issued in relation to the entire Second Subscription, using the Long-Term Discount and adopting a AUD - USD exchange rate of 0.73.</p> <table border="1" data-bbox="775 891 1430 1254"> <thead> <tr> <th data-bbox="775 891 1099 1086">Relevant VWAP</th> <th data-bbox="1099 891 1430 1086">Number of Shares issued on exercise of the right to subscribe for Shares in respect of the entire Second Subscription</th> </tr> </thead> <tbody> <tr> <td data-bbox="775 1086 1099 1120">0.01</td> <td data-bbox="1099 1086 1430 1120">235,159,817</td> </tr> <tr> <td data-bbox="775 1120 1099 1153">0.008</td> <td data-bbox="1099 1120 1430 1153">293,949,772</td> </tr> <tr> <td data-bbox="775 1153 1099 1187">0.006</td> <td data-bbox="1099 1153 1430 1187">391,933,029</td> </tr> <tr> <td data-bbox="775 1187 1099 1220">0.004</td> <td data-bbox="1099 1187 1430 1220">587,899,543</td> </tr> <tr> <td data-bbox="775 1220 1099 1254">0.001</td> <td data-bbox="1099 1220 1430 1254">2,351,598,174</td> </tr> </tbody> </table> <p>The Company notes that the figures set forth in the table above are illustrative only and the actual number of Shares issued on exercise of the right to subscribe for Shares (at one or more times, from time to time) in respect of the Second Subscription will vary depending on the actual Purchase Price and AUD - USD exchange rate used in relation to such issues.</p>	Relevant VWAP	Number of Shares issued on exercise of the right to subscribe for Shares in respect of the entire Second Subscription	0.01	235,159,817	0.008	293,949,772	0.006	391,933,029	0.004	587,899,543	0.001	2,351,598,174
Relevant VWAP	Number of Shares issued on exercise of the right to subscribe for Shares in respect of the entire Second Subscription												
0.01	235,159,817												
0.008	293,949,772												
0.006	391,933,029												
0.004	587,899,543												
0.001	2,351,598,174												
Consideration for Subscription	The Second Subscription will arise in consideration of the investment of US\$1,415,000, as set out in Section (a) of the Background to Resolutions 11 to 14. The Company will not receive any other consideration for the Second Subscription.												
Terms of Subscription	The Second Subscription will be made on the terms summarised in Section (a) of the Background to Resolutions 11 to 14.												
Voting exclusion	A voting exclusion statement is set out in the Notice of Meeting.												
Use of funds	The issue is aimed at raising funds for the Company's acquisition of North American Lithium Inc. (the subject of multiple previous ASX announcements), development of its other projects and working capital.												

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of this Resolution.

Resolution 14 – Ratification of prior issue of Fee Shares

Background to Resolution 14:

Resolution 14 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Fee Shares.

The issue of the Fee Shares does not fit within any of the exceptions to Listing Rules 7.1 and 7.1A and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Fee Shares.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Fee Shares.

Listing Rules:

If Resolution 14 is passed, the Fee Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Fee Shares.

If Resolution 14 is not passed, the Fee Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Fee Shares.

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided with regard to the ratification under Resolution 15:

Name of person to whom the Fee Shares were be issued	Battery Metals Capital Group, LLC.
Class of securities	Fully paid ordinary shares.
Number of Shares to be issued	39,545,230.
Terms of issue	<p>The Fee Shares rank equally with all of the Company's other fully paid ordinary Shares on issue.</p> <p>The Fee Shares were issued under the Battery Metals Placement Agreement. A summary of the material terms of the Battery Metals Placement Agreement is set out in the Background to Resolutions 11 to 14 Section.</p>
Date of issue	The Fee Shares were issued on 7 September 2020.
Issue Price	The Fee Shares were issued at a deemed issue price of \$0.007 per Share. The Company has not and will not receive any other consideration for the issue of the Fee Shares;
Purpose of the issue	The purpose of the issue of the Fee Shares was to satisfy the Company's obligations under the Battery Metals Placement Agreement in respect of the payment of a fee of US\$200,000 to the Battery Metals.
Voting exclusion	A voting exclusion statement is set out in the Notice of Meeting.

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of this Resolution.

Resolution 15 – Approval for the issue of Shares to Exiro Mineral Corporation

Background to Resolution 15:

On 15 April 2019, the Company announced to the ASX that it had acquired a 100% interest in Lac Simard lithium prospect, Val d'Or, Quebec, from privately owned Exiro Minerals Corporation (**Exiro**). The consideration paid for the acquisition was made up of cash and share payments and undertaking work on the property over a three-year period, with Exiro retaining a 2% net smelter return royalty. Under the terms of the acquisition, the Company is required to issue up to 5,000,000 Shares valued at \$40,000 to Exiro on or before the second anniversary of acquisition.

Listing Rules:

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

By approving this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 15 is not passed, the Company may not have capacity under Listing Rule 7.1 necessary to exercise the Put Right in relation to the third investment (summarised in Section (a) of the Background to Resolutions 11 to 14), in which event the Company will not have access to the additional US\$2,000,000 of funding.

For clarity, the Company obligation to issue the Shares to Exiro is not subject to Shareholders' approving Resolution 15; even if Resolution 15 is not passed, the Company will still be obliged to issue the Shares.

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided with regard to the ratification under Resolution 15:

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 15:

Name of person to whom Shares were issued	Exiro Mineral Corporation.
Number of securities issued	Up to 5,000,000 Shares.
Issue price of securities	Based on a 20 day VWAP prior to issue.
Terms of issue	The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
Date of issue	On or before 30 January 2021
Consideration	No funds were raised from this issue.
Purpose of the issue	Consideration for the acquisition of the Company's 100% interest in Lac Simard lithium prospect, Val d'Or, Quebec.
Voting exclusion	A voting exclusion statement is set out in the Notice of Meeting.

Directors' Recommendation

The Directors unanimously recommend that you vote in favour of this Resolution.

Resolution 16 – Approval of 10% Placement Facility

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of their issued Share capital through placements over a 12 month period after the AGM (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

The Company is seeking a mandate to issue securities under the additional 10% Placement Facility to enable the Company to pursue its growth strategy with the flexibility to act quickly as potential business opportunities arise.

The Board believes that this Resolution 16 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Description of Listing Rule 7.1A

(a) **Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an AGM.

(b) **Equity Securities**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of this document, has on issue two existing quoted classes of Equity Securities, being Shares and Options. The Company also has unlisted Options on issue.

(c) **Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an AGM may issue or agree to issue, during the 12 month period after the date of the AGM, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

‘A’ is the number of Shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid Shares that became fully paid in the 12 months;
- (iii) plus the number of fully paid Shares issued in the 12 months with approval of holders of Shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid Shares under the entity’s 15% placement capacity without Shareholder approval;
- (iv) less the number of fully paid Shares cancelled in the 12 months.

‘D’ is 10%;

‘E’ is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity’s 15% placement capacity under Listing Rule 7.1.

At the date of this document, the Company has on issue 2,843,191,430 Shares. The Company has a capacity to issue:

- (i) 707,921 Equity Securities under Listing Rule 7.1; and
- (ii) 267,707,511 Equity Securities under Listing Rule 7.1A.

As part of this Notice, in Resolutions 4, 5, 6, 7, 8, 12 and 15, the Company is seeking Shareholder ratification of the prior issue of 291,672,428 Shares and 109,222,547 Options under Listing Rule 7.4 and renewal of the placement capacity under 7.1A. If Resolutions 4, 5, 6, 7, 8, 12 and 15 are approved by Shareholders, the Company will have the capacity to issue:

- (iii) 458,631,549 Equity Securities under Listing Rule 7.1; and
- (iv) 305,754,366 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section (c) above).

Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the volume weighted average price (VWAP) of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the AGM at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the AGM at which the approval is obtained; or
- (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

Listing Rule 7.1A

The effect of this Resolution 16 will be to allow the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 16 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

If this Resolution 16 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power and economic interest in the Company will be diluted as shown in the below table. There is a risk that:

- (iii) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (iv) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this document.

The table also shows:

- (i) two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Table 1

Variable "A"		No. of Shares issued under 10% placement capacity	Funds Raised based on:		
			Issue price at 50% decrease to current price	Issue price at current price	Issue price at 50% increase in current price
			\$0.0050	\$0.0100	\$0.0200
Current	2,843,191,430	284,319,143	\$1,421,596	\$2,843,191	\$5,686,383
150%	4,264,787,145	426,478,715	\$2,132,394	\$4,264,787	\$8,529,574
200%	5,686,382,860	568,638,286	\$2,843,191	\$5,686,383	\$11,372,766

The table has been prepared on the following assumptions:

- (i) The Company raises the maximum number of Equity Securities under the 10% Placement Capacity.
- (ii) No Options (including any options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (vii) The issue price is \$0.01, being the closing price of the Shares on ASX on 25 September 2020.

The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under this Resolution 16 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

The Company may seek to issue the Equity Securities for cash consideration, in which case the Company may use the funds raised towards making (or to securing the right to make) one or more acquisitions and/or to further its existing projects; and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (viii) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ix) the effect of the issues of the Equity Securities on the control of the Company;
- (x) the financial situation and solvency of the Company; and
- (xi) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this document but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

In accordance with Listing Rule 7.3A.6 the total number of Equity Securities issued in the 12 months preceding the date of this document is NIL, representing 0% of the Equity Securities on issue at the commencement of the 12 month period.

A voting exclusion statement is included in this document. At the date of this document, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this document.

The Company previously obtained Shareholder approval under Listing Rule 7.1A on 29 November 2019, which approval will expire on the date of this Meeting.

A voting exclusion statement is included in the Notice. As at the date of the Notice, the Company has not approached any particular existing security holder or an identifiable class of security holder to participate in the issue of Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion on the Notice.

Directors' recommendation

The Directors unanimously recommend that you vote in favour of this Resolution.

Resolution 16 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Glossary

In this Explanatory Statement and the Notice of Meeting:

AEST means Australian Eastern Standard Time.

AGM means Annual General Meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means the Australian Securities Exchange operated by ASX Limited ACN 008 624 691 and includes any successor body.

Board means the Company's board of Directors.

Business Day has the meaning given to that term in the Listing Rules.

Chairman means the chair of the Annual General Meeting.

Company means Sayona Mining Limited ACN 091 951 978.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a current director of the Company.

Dollar Equivalent of the Market Capitalisation means, at any time, the amount determined by multiplying the Market Capitalisation at such time by the lowest single daily (New York Time) AUD – USD spot bid exchange rate quoted in the period of five Business Days immediately preceding such time.

Equity Securities has the meaning given in ASX Listing Rule 19.

Explanatory Statement means this Explanatory Statement that accompanies and forms part of the Notice of Meeting.

KMP means a member of the key management personnel named in the Company's latest remuneration report.

Listing Rules means the Listing Rules of the ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Market Capitalisation Amount means 11% multiplied by the Dollar Equivalent of the Market Capitalisation as at any one of the Trading Days during the five Trading Day period immediately prior to the Closing Date of such Closing.

Market Capitalisation means at any time, the amount equal to (a) the number of Shares on issue at such time, multiplied by (b) the average of the daily VWAPs per Share during the three Trading Days immediately preceding such time.

Meeting, General Meeting or Annual General Meeting means the annual general meeting of the Company the subject of this Notice of Meeting.

Notice of Meeting means this notice of annual general meeting which this Explanatory Statement accompanies and in which the Resolutions are set out.

Offer is defined in the Background to Resolution 8 in this Explanatory Statement.

Option means an option to subscribe for a Share.

Resolution means the resolutions in the Notice of Meeting.

Share means a fully paid ordinary share in the Company.

Shareholder means a holder of Shares.

Trading Days means a day on which the Company's Shares can be traded on ASX.

VWAP means the volume weighted average price of securities on the ASX.



SYA

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+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10.00am (AEST) Wednesday 28 October 2020**.

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 0099999999 I ND
 Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Sayona Mining Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Sayona Mining Limited to be held at **Suite 68, 283 Given Terrace, Paddington, QLD 4064 on Friday, 30 October 2019 at 10:00am (AEST)** and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Items 1, 7, 8, 9, 10, 11, 12, 13, 14, 15 & 16** (except where I/we have indicated a different voting intention below) even though **Items 1, 7, 8, 9, 10, 11, 12, 13, 14, 15 & 16** (are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Items 1, 7, 8, 9, 10, 11, 12, 13, 14, 15 & 16** (by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain		For	Against	Abstain
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10. Approval to issue Shares and Options to Director Brett Lynch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-Election of James Brown as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11. Approval to issue of the Initial Placement Shares and the Options under Battery Metals Placement Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-Election of Dennis O'Neill as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12. Ratification of Battery Metals' right to subscribe for Shares in relation to the First Subscription under Battery Metals Placement Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification of the issue of Shares to Exiro Mineral Corporation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13. Approval of Battery Metals' right to subscribe for Shares in relation to the Second Subscription under Battery Metals Placement Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Ratification of the issue of Options to Jett Capital Advisors LLC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14. Ratification of prior issue of Fee Shares under Battery Metals Placement Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Ratification of the issue of Options to Mahe Capital Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15. Approval to issue Shares to Exiro Mineral Corporation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Ratification of the issue of Securities to Canning Corp Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16. Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Ratification of the issue of Securities to Sophisticated Investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
9. Approval for the issue of Shares to Accuity Capital Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

SYA

Contact Daytime Telephone

2 6 6 4 3 6 A

Date / /

