

FINANCIAL REVIEW

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Street Talk

Emerging lithium company Sayona Mining seeks funds for M&A

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ASX-listed lithium play Sayona Mining is seeking a \$45 million equity injection to help propel it into the ranks of world-scale integrated lithium producers in North America.

That's the pitch from Sayona and its broker Canaccord Genuity on Thursday, as the company fronts institutional investors and brokers for its big corporate play.

Sayona Mining has a deal to acquire North America Lithium, which owns a large, previously producing lithium asset project close to Sayona's core Authier project in Quebec, Canada.

NAL's project was fully operational and working towards nameplate capacity in 2018, before it was placed on care and maintenance.

The deal has been well flagged to investors, and has been through the courts, and on Thursday morning it kicked off a funding search to bring it all together.

The equity raising was a two tranche placement of new shares at 7.5¢ a share, which was a 22.7 per cent discount to the last close and a 4.7 per cent discount to the 15 day VWAP, according to details sent to potential investors.

Piedmont Lithium, which has a stake in the company, has committed to tip in \$8 million as part of the placement, the term sheet said.

The deal would be followed by a share purchase plan to raise up to another \$5 million.

Canaccord's desk launched the deal on Thursday and was calling for bids by Thursday night for southern hemisphere investors and by 10am Friday for northern hemisphere investors.

The group had a \$500 million market capitalisation prior to the raising.