

# Sayona Mining Limited

ACN 091 951 978

## Notice of Annual General Meeting and Explanatory Statement

Annual General Meeting to be held online on 28 January 2022 at 10:00am (11:00am AEDT) via <https://meetnow.global/M2NWQA2>.

### NOTICE:

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](http://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 online on 28 January 2022 at 10:00am (11:00 AEDT) ) via <https://meetnow.global/M2NWQA2>, 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.

### AGENDA

#### ORDINARY BUSINESS

#### Receive and Consider the Financial Statements

To receive and consider:

1. **the Financial Report;**
2. **the Directors' Report; and**
3. **the Auditor's Report,**

of the Company for the year ended 30 June 2021.

#### 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 2021 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 Mr Allan Buckler as a Director

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

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

#### Resolution 3 – Ratification of the issue of Shares to Piedmont Lithium Limited

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 8,907,941 Shares, as described in the accompanying Explanatory Statement, be ratified.”*

#### Resolution 4 –Ratification of the issue of Shares to Piedmont Lithium Limited

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 15,422,695 Shares, as described in the accompanying Explanatory Statement, be ratified.”*

#### **Resolution 5 – Approval 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 7.1 and for all other purposes, the issue of up to 400,000 Shares to Exiro Mineral Corporation, as described in the accompanying Explanatory Statement, be approved.”*

#### **Resolution 6 – Approval of the issue of Shares to Mr Brett Lynch**

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

*“That for the purpose of Listing Rule 10.1 and for all other purposes, Shareholders approve the issue 17,500,000 Shares to Mr Brett Lynch (a Director), and/or his nominee, on the terms and conditions set out in the Explanatory Statement.”*

#### **Resolution 7 – Approval to issue Options to Mr Paul Crawford**

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

*“That for the purpose of Listing Rule 10.11 and for all other purposes, Shareholders approve the grant of 20,000,000 Options to acquire shares at \$0.15 to Mr Paul Crawford (a Director), and/or his nominee, on the terms and conditions set out in the Explanatory Statement.”*

#### **Resolution 8 – Approval to issue Options to Mr Allan Buckler**

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

*“That for the purpose of Listing Rule 10.11 and for all other purposes, Shareholders approve the grant of 10,000,000 Options to acquire shares at \$0.15 to Mr Allan Buckler (a Director), and/or his nominee, on the terms and conditions set out in the Explanatory Statement.”*

#### **Resolution 9 – Approval to issue Options to Mr James Brown**

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

*“That for the purpose of Listing Rule 10.11 and for all other purposes, Shareholders approve the grant of 10,000,000 Options to acquire shares at \$0.15 to Mr Brown (a Director), and/or his nominee, on the terms and conditions set out in the Explanatory Statement.”*

#### **Resolution 10– Ratification to issue Placement Shares to fund Moblan acquisition**

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, the issue of the Placement Shares in accordance with the accompanying Explanatory Statement, be ratified.”*

#### **Resolution 11– Increase in Non-Executive Director Remuneration**

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

*“That, for the purposes of clause 90.1 and 94.1 of the Company’s constitution, ASX Listing rule 10.17 and for all other purposes, shareholders approve an increase in the total aggregate amount of non-executive Directors’ fees payable from \$200,000 to \$500,000 per annum.”*

## 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.

### Resolutions 2, 6, 7, 8 and 9

The Company will disregard any votes cast by Directors, as follows:

- on Resolution 6, by Mr Brett Lynch;
- on Resolution 7, by Mr Paul Crawford;
- on Resolution 8, by Mr Allan Buckler; and
- on Resolution 9, by Mr James Brown,

or any of their associates. However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### Resolutions 3 and 4

The Company will disregard any votes cast on Resolutions 3 and 4 by Piedmont Lithium Limited or an associate of Piedmont Lithium Limited. However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Resolution 5**

The Company will disregard any votes cast on Resolution 5 by Exiro Mineral Corporation or an associate of Exiro Mineral Corporation. However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Resolution 10**

The Company will disregard any votes cast on Resolution 10 by any person who participated in the issue of Placement Shares or any of their associates. However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Resolution 11**

The Company will disregard any votes cast on Resolution 11 by a Director of the Company or any of their associates. However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **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 online on 28 January 2022 at 10:00am (11:00am AEDT).

## **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 10 am AEST (11:00 am AEDT) on 26 October 2021.

## **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, 26 January 2022.

By order of the Board

Paul Crawford  
Company Secretary  
Sayona Mining Limited  
24 December 2021

# 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 online on 28 January 2022 at 10:00am (11:00am AEDT).

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 2021 is set out in the Directors’ Report section of the Company’s 2021 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 Mr Allan Buckler as a Director**

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

Mr Buckler was appointed to the Board on 5 August 2013. He has over 45 years' experience in the mining industry and has taken lead roles in the establishment of several leading mining and port operations in both Australia and Indonesia.

The Board (with Mr Buckler abstaining) supports the re-election of Mr Buckler and recommends Shareholders vote in favour of Resolution 2.

### **Resolutions 3 and 4 – Ratification of the issue of Shares to Piedmont Lithium Limited**

#### **Background to Resolutions 3 and 4:**

Resolutions 3 and 4 seek shareholder approval to the issue of shares and for the purposes of Listing Rule 7.4

On 11 January 2021, the Company entered into various agreements with Piedmont Lithium Limited (**Piedmont or PLL**), as detailed in the ASX Announcement of 11 January 2021, under which Piedmont acquired an initial shareholding in the Company.

Utilising the Company's available placement capacity Piedmont has since subscribed for the following additional securities:

- shares issued to Piedmont on 27 August 2021, as referred to further in Resolution 3; and
- shares issued to Piedmont on 19 October 2021, as referred to further in Resolution 4.

#### **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 a general meeting ratifies a previous issue of securities (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.

If Resolutions 3 and 4 are passed, the issues the subject of those Resolutions will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without shareholder approval in the 12 months after those issues.

If Resolutions 3 and 4 are not passed, the issues the subject of those Resolutions will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without shareholder approval in the 12 months after those issues.

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 3:

<b>Name of company to whom Shares were issued</b>	Piedmont Lithium Limited
<b>Number of securities issued</b>	8,907,941 Shares
<b>Issue price of securities</b>	Shares were issued at \$0.04525 per Share

<b>Terms of issue</b>	Fully paid ordinary shares
<b>Date of issue</b>	27 August 2021
<b>Consideration</b>	\$403,084.33
<b>Purpose of the issue</b>	Working capital
<b>Voting exclusion</b>	A voting exclusion statement is set out in the Notice of Meeting

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

<b>Name of company to whom Shares were issued</b>	Piedmont Lithium Limited
<b>Number of securities issued</b>	15,422,695 Shares
<b>Issue price of securities</b>	Shares were issued at \$0.0191796 per Share
<b>Terms of issue</b>	Fully paid ordinary shares
<b>Date of issue</b>	19 October 2021
<b>Consideration</b>	\$295,801.10
<b>Purpose of the issue</b>	Working capital
<b>Voting exclusion</b>	A voting exclusion statement is set out in the Notice of Meeting

#### **Directors' Recommendation**

The Directors unanimously recommend that you vote in favour of Resolutions 3 and 4.

### **Resolution 5 – Approval for the issue of Shares to Exiro Mineral Corporation**

#### **Background to Resolution 5:**

Resolution 5 seeks shareholder approval to the issue of shares under and for the purpose of Listing Rule 7.1.

On 15 April 2019, the Company announced to the ASX that it had entered into an Option Agreement to acquire 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 will issue C\$50,000 worth of Shares to Exiro as the final payment to exercise the option

#### **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.

For clarity, the Company's obligation to issue the Shares to Exiro is not subject to Shareholders' approving Resolution 5; even if Resolution 5 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 approval under Resolution 5:

<b>Name of company to whom Shares will be issued</b>	Exiro Mineral Corporation
<b>Number of securities issued</b>	Up to 400,000 Shares
<b>Issue price of securities</b>	Based on a 20-day VWAP prior to issue
<b>Terms of issue</b>	Fully paid ordinary shares
<b>Date of issue</b>	The Shares will be issued within 3 months of the date of the meeting
<b>Consideration</b>	No funds will be raised from this issue
<b>Purpose of the issue</b>	Consideration for the acquisition of the Company's 100% interest in Lac Simard lithium prospect, Val d'Or, Quebec
<b>Voting exclusion</b>	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 5.

### **Resolution 6 – Approval of the issue of Shares to Mr Brett Lynch**

#### **Background to Resolution 6:**

The Company, has agreed, subject to obtaining Shareholder approval, to issue Mr Lynch incentive Shares as part of the remuneration for his employment with the Company.

Shareholders approved the Company's Executive Incentive Plan (EIP) at the 2019 AGM. Under that Plan, a grant of performance rights and/or options under the EIP can be made on terms and conditions approved by the Board. At the same AGM, shareholders approved an LTI structure for Mr Lynch.

During the 2020/21 financial year, the Board developed a number of key targets likely to underwrite the long-term future value of Sayona. These targets are specific and directly linked to the performance and controls of Executive Directors and Company management. It was expected that these targets, intended to deliver long-term value to shareholders, would be delivered progressively from their inception in early 2021 and looking forward to June 2023.

When the incentive award structure was developed and it was determined to grant Mr Lynch performance shares, the Company's share price was \$0.009, representing an award value of \$157,500. This was the basis for formulating and valuing the short-term incentives to which Mr Lynch was entitled under his service contract. The final valuation of performance shares to be awarded under the incentive package could not be determined until shareholder approval was obtained. The option valuation metrics have changed significantly over this period.

The following table show the value of the proposed incentive when developed and the accounting value as of today.

	Target Date	No. of Shares	Accounting Value			
			At Inception		Current	
			Share Price	Total	Share Price	Total
Performance hurdle achieved	30/06/2021	17,500,000	\$0.009	\$157,500	\$0.125	\$2,187,500

During 2021 Sayona shareholders have been the big winners with an extraordinary increase of shareholder value, more liquidity and stability. Following is a summary of share and price performance over recent years. Current market capitalisation is approximately \$900 million.

The Board believes that the exceptional grant of shares to Mr Lynch is reasonable based on the relatively low value in equity-based remuneration that has been paid to Mr Lynch since he joined the business and in light of the commitment to him as part of his service contract.

Mr Lynch has not received an increase in salary since he was appointed as CEO of Sayona in 2019.

Year	Low (Cents)	High (Cents)	Market Capitalisation (\$)	Trade Volume (No of shares)	Trade Value (\$)
2021	0.87	17.75	1,126,945,089	8,844,453,436	527,683,559
2020	1.04	2.18	19,751,670	1,963,143,784	19,173,380
2019	1.89	2.60	13,780,595	496,584,517	6,036,698

#### Chapter 2E of the Corporations Act

For a public company, or an entity that a public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- obtain the approval of its members pursuant to section 217 and 227 of the Corporations Act; and
- give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in section 210 to 216 of the Corporations Act.

The Directors (other than Mr Lynch who has a material personal interest in the resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Shares to Mr Lynch and rely on the exception under section 211 of the Corporations Act, because the agreement to grant the Shares is part of his reasonable remuneration, made under the terms of the EIP, and reflects the progress made by the Company and Mr Lynch's role in achieving that progress.

#### ASX Listing Rule 10.14:

ASX Listing Rule 10.14 provides that a director is only permitted to acquire securities under an employee incentive scheme with the prior approval of shareholders. The proposed issue falls within Listing Rule 10.14.1 and therefore requires the approval of the Company's Shareholders under Listing Rule 10.14. If Shareholders approve Resolution 6, the Company will issue the Shares to Mr Lynch. If Shareholders do not approve this Resolution 6, the Company will not issue the Shares to Mr Lynch.

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to Resolution 6:

<b>Name of person to whom securities will be issued</b>	Mr Brett Lynch or his nominee
<b>Relevant relationship to Company</b>	Managing Director
<b>Number of securities to be issued</b>	17,500,000
<b>Details of current total remuneration package</b>	Base salary \$350,000, STI bonus 40%, LTI 80%, participation in Executive Incentive Plan.

<b>Details of prior issues of securities under EIP to recipient and price paid for them</b>	Nil
<b>Type of security</b>	The Shares will be fully paid ordinary shares in the capital of the Company.
<b>Date of issue of securities</b>	The Shares will be issued within 3 months of the date of the meeting
<b>Issue price of securities</b>	Nil
<b>Terms of issue</b>	The Shares will be issued on the same terms and conditions as the Company's existing Shares.
<b>Terms of EIP</b>	Refer Attachment
<b>Terms of loan</b>	The Company will not be providing any loan in relation to the acquisition of the Shares.
<b>Annual report and approval for further issues</b>	<p>Details of any securities issued under the EIP will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14.</p> <p>Any additional persons covered by listing rule 10.14 who became entitled to participate in an issue of securities under the EIP after this resolution is approved and who were not named in this notice of meeting will not participate until approval is obtained under that rule if so required.</p>
<b>Voting exclusion</b>	A voting exclusion statement is set out in the Notice of Meeting.

### Directors' Recommendation

The Directors, with the exception of Mr Brett Lynch, unanimously recommend that you vote in favour of Resolution 6.

### Resolutions 7, 8 & 9 – Approval to issue Options to Messrs Paul Crawford, Allan Buckler and James Brown

#### Background

The Company, has agreed, subject to obtaining Shareholder approval, to issue Messrs Crawford, Buckler and Brown (or their nominees) Options to subscribe for fully paid ordinary shares in the Company on the terms and conditions set out below. If Resolutions 7, 8 and 9 are not passed, the Company will not issue the Options to Messrs Crawford, Buckler and Brown (or their nominees).

The Options are proposed to be issued as remuneration for services as directors of the Company in overseeing the development of the Company over the last 12 months and their continued stewardship.

<b>Name of person to whom Options will be issued</b>	Mr Paul Crawford (Director) or his nominee.
<b>Date of issue</b>	To be issued within one month of approval of Resolution 7
<b>Number of securities to be issued</b>	20,000,000 Options

<b>Issue price of securities</b>	Options will be issued without charge. On exercise, \$3,000,000 is payable to the Company
<b>Terms of issue</b>	Grant of 20,000,000 Options to acquire Shares at \$0.15 per Share, expiring 18 months after grant date
<b>Voting exclusion</b>	A voting exclusion statement is set out in the Notice of Meeting
<b>Use of funds</b>	No funds will be raised from any of this grant

<b>Name of person to whom Options will be issued</b>	Mr Allan Buckler (Director) or his nominee.
<b>Date of issue</b>	To be issued within one month of approval of Resolution 8
<b>Number of securities to be issued</b>	10,000,000 Options
<b>Issue price of securities</b>	Options will be issued without charge. On exercise, \$1,500,000 is payable to the Company
<b>Terms of issue</b>	Grant of 10,000,000 Options to acquire Shares at \$0.15 per Share, expiring 18 months after grant date
<b>Voting exclusion</b>	A voting exclusion statement is set out in the Notice of Meeting
<b>Use of funds</b>	No funds will be raised from any of this grant

<b>Name of person to whom Options will be issued</b>	Mr James Brown (Director) or his nominee
<b>Date of issue</b>	To be issued within one month of approval of Resolution 9
<b>Number of securities to be issued</b>	10,000,000 Options
<b>Issue price of securities</b>	Options will be issued without charge. On exercise, \$1,500,000 is payable to the Company
<b>Terms of issue</b>	Grant of 10,000,000 Options to acquire Shares at \$0.15 per Share, expiring 18 months after grant date
<b>Voting exclusion</b>	A voting exclusion statement is set out in the Notice of Meeting
<b>Use of funds</b>	No funds will be raised from any of this grant

### **Directors' Recommendation**

The Directors, with the exception of Mr Paul Crawford, unanimously recommend that you vote in favour of Resolution 7.

The Directors, with the exception of Mr Allan Buckler, unanimously recommend that you vote in favour of Resolution 8.

The Directors, with the exception of Mr James Brown, unanimously recommend that you vote in favour of Resolution 9.

### **Resolution 10 – Ratification for the issue of Placement Shares to fund the Moblan acquisition**

#### **Background to Resolution 10:**

Resolution 10 seeks Shareholder ratification for the purposes of Listing Rule 7.4 for the issue of the Placement Shares.

The Company announced on 4 October 2021 the placement of 689,655,173 new fully paid ordinary shares (the **Placement**, and the Shares being **Placement Shares**), to be made to institutional, professional, and sophisticated investors at a price of \$0.145 per Placement Share, raising a total of \$100,000,000 (before costs).

The funds raised from the Placement will be used to fund the acquisition of Moblan Lithium Project in Northern Québec, Canada and working capital for its continued development.

Further detail on the Moblan acquisition is contained in the Company's announcement to the ASX on 30 September 2021.

**Listing Rules:**

If Resolution 10 is passed, the issue of the Placement Shares 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 10 is not passed, the issue of the Placement Shares will be included in the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided with regard to the ratification under Resolution 10:

<b>Persons to whom the Placement Shares were issued</b>	Institutional, professional, and sophisticated investors
<b>Number of securities issued</b>	689,655,173
<b>Issue price of securities</b>	\$0.145 per share
<b>Terms of issue</b>	Fully paid ordinary shares
<b>Date of issue</b>	11 October 2021
<b>Consideration</b>	\$100,000,000
<b>Purpose of the issue</b>	<u>Shares:</u> The purpose of the issue of the Placement Shares is to fund the Moblan acquisition
<b>Voting exclusion</b>	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 10.

**Resolution 11– Increase in Non-Executive Director Remuneration**

**Background to Resolution 11:**

ASX Listing Rule 10.17 provides that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without the approval of its shareholders.

The Constitution (clause 94.1) requires that notice of any proposed increase in the remuneration of Directors (other than the Managing Director and Executive Directors) and the total amount of the remuneration payable to them as a result of the proposed increase must be given to Shareholders in the notice convening the meeting of Shareholders at which the increase is to be proposed.

Currently the maximum aggregate amount of directors' fees payable to all non-executive Directors is A\$200,000 per annum. Resolution 11 seeks to increase that amount to US\$500,000 per annum. If the Resolution is not passed the maximum aggregate amount payable to the non-executive Directors will remain A\$200,000 per annum.

The proposed increased amount set out above includes superannuation contributions made by the Company for the benefit of non-executive Directors. It does not include reimbursement of genuine out of pocket expenses, performance of extra services, "special exertion" fees paid in accordance with the Constitution, or securities issued to a non-executive Director under ASX Listing Rule 10.11 or 10.14 with approval of Shareholders.

The current maximum aggregate amount of A\$200,000 per annum has been in place for approximately 10 years and has not been increased since that time. The increase is considered appropriate having regard to:

- (a) the potential increase in the number of Directors;
- (b) the significant increase in the Company's asset portfolio, value and market capitalisation; and
- (c) the restructure of the Board to reflect updated corporate governance structures.

Whilst it is not envisaged that the maximum amount sought will be utilised immediately, the proposed limit is requested to ensure that the Company:

- (a) maintains its capacity to remunerate both existing and new non-executive Directors joining the Board;
- (b) remunerates its non-executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates; and
- (c) has the ability to attract and retain non-executive Directors whose skills and qualifications are appropriate for a company of the size and nature of the Company.

The Company has not issued any securities to non-executive Directors under Listing Rule 10.11 or 10.14 with the approval of shareholders in the last three years. The Company issued 2,000,000 shares to Mr Brett Lynch, Managing Director, at an issue price of \$0.01 on 20 November 2019.

## Glossary

In this Explanatory Statement and the Notice of Meeting:

**AEST** means Australian Eastern Standard Time.

**AEDT** means Australia Eastern Daylight Time.

**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.

**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.

**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.

**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.

**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.

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

## Attachment

### Summary of the rules of the EIP

#### *Operation*

The Board is responsible for administering the EIP in accordance with its rules. A grant of Performance Rights and/or Options under the EIP will be subject to both the EIP rules and the terms and conditions of the specific grant.

#### *Eligibility*

The EIP is open only to senior managers of the Company who in the course of their employment with the Company make or participate in the making of decisions that affect the business of the Company, or have the capacity to affect significantly the Company's financial standing.

The Board may invite senior managers to apply for Performance Rights and/or Options (**Award**) under the EIP in its absolute discretion.

#### *Vesting*

The vesting of a Performance Right and/or Options will be conditional on the satisfaction of all performance conditions attaching to the Performance Right and/or Options. Performance conditions will be determined by the Board in its discretion and specified in the senior manager's invitation letter.

#### *Maximum potential Award*

The Board may grant such number of Options and/or Performance Rights under the EIP as the Board determines as long as no limit specified, imposed or calculated by any relevant policy or guideline of ASIC, including any regulatory guide, class order or condition for relief, is exceeded.

#### *Performance Assessment and Calculation Date*

Where a performance condition is linked to the Company's share price, then unless the Board specifies otherwise, the method of calculating the share price for the purposes of determining whether or not the senior manager has met the performance condition will be volume weighted average price of the Shares for the five trading days commencing seven days after the Company's results for the relevant financial year (e.g., 1 July 2019 to 30 June 2020) are announced to the ASX.

#### *Method for calculating Awards*

The Board will determine the extent to which each performance condition has been achieved and the Award earned in respect of the performance conditions.

#### *Non-transferrable*

Awards are not transferable, except on a participant's death, to their legal personal representative.

#### *Change of control*

In the event of a change of control of the Company, the Board may, in its absolute discretion, determine whether or not it will terminate the EIP for any relevant period and pay pro-rata Awards in cash based on the completed proportion of that period and taking into account performance up to the date of the change of control.

#### *Termination of employment*

If a senior manager's employment is terminated other than by reason of retirement, redundancy, or by resignation with the express written consent of the Board (given expressly for the purposes of the EIP), the senior manager forfeits any and all entitlements or right to be considered for an EIP Award for the relevant financial year in which the termination occurred unless otherwise permitted by the Board in its absolute discretion.

If a senior manager is considered a 'good leaver' and their employment is terminated (other than by reason of resignation), the Board retains discretion whether or not to Award the EIP for the relevant period..

#### *Ultimate discretion of the Board*

The Board retains the ultimate discretion to:

- (c) make decisions on the EIP subject to complying with the Corporations Act and Listing Rules;
- (d) trigger, accelerate or vest the Award in the case of termination, provided that the limitations on termination benefits as outlined in the Corporations Act are not breached; and
- (e) abandon the EIP in any period for that period or adjust Award payments if the Company's overall performance during the relevant period is substantially lower than expected and result in significant loss of value for shareholders.

## Need assistance?

 **Phone:**  
1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)

 **Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (11:00am AEDT) on Wednesday, 26 January 2022.**

# 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/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

### Online:

Lodge your vote online at [www.investorvote.com.au](http://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: 185718**

**SRN/HIN:**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://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.

# Proxy Form

Please mark  to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

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 as a virtual meeting on Friday, 28 January 2022 at 10:00am (11:00am AEDT) 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 Resolutions 1, 6, 7, 8 & 9 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 6, 7, 8 & 9 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 Resolutions 1, 6, 7, 8 & 9 by marking the appropriate box in step 2.

## Step 2 Item 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	
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 6	Approval of the issue of Shares to Mr Brett Lynch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Mr Allan Buckler as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 7	Approval to issue Options to Mr Paul Crawford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of the issue of Shares to Piedmont Lithium Limited - Tranche 1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 8	Approval to issue Options to Mr Allan Buckler	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of the issue of Shares to Piedmont Lithium Limited - Tranche 2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 9	Approval to issue Options to Mr James Brown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of the issue of Shares to Exiro Mineral Corporation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 10	Ratification to issue Placement Shares to fund Moblan acquisition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					Resolution 11	Increase in Non-Executive Director Remuneration	<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.

## Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1  Securityholder 2  Securityholder 3

Sole Director & Sole Company Secretary Director Director/Company Secretary  / / Date

**Update your communication details** (Optional)

Mobile Number  Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically