



ASX ANNOUNCEMENT



8 May 2018

PRO RATA RENOUNCEABLE ENTITLEMENT OFFER

Sayona Mining Limited (ASX: SYA) (“Sayona” or “Company”) has today sent letters to eligible and ineligible shareholders respectively, in accordance with the ASX Listing Rules.

The indicative timetable for the pro rata renounceable entitlement offer is set out below.

Event	Date
Offers announced	4 May 2018
Lodgement of Prospectus with ASIC Lodgement of Prospectus and Appendix 3B with ASX	4 May 2018
Notice sent to Shareholders	7 May 2018
"Ex" date Entitlement trading starts	9 May 2018
Record Date for determining Entitlements	10 May 2018
Prospectus and personalised Entitlement Forms sent to Eligible Shareholders and Company announces this has been completed Last day of Entitlement trading on a deferred settlement basis	15 May 2018
Entitlement trading ends and Securities quoted on a deferred settlement basis	17 May 2018
Last day to extend the Closing Date	21 May 2018
Closing Date	24 May 2018
Notice to ASX of under subscriptions	29 May 2018
Issue date Deferred settlement trading ends Appendix 3B lodged on ASX	31 May 2018
Normal trading resumes Quotation of Securities issued under the Offers	1 June 2018

Subject to the ASX Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice.

SAYONA MINING LIMITED

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ASX Code: **SYA**

For more information, please contact:

Paul Crawford
Company Secretary
Phone: +61 (7) 3369 7058
Email: info@sayonamining.com.au

Sayona Mining Limited is an Australian-based, ASX-listed (SYA) company focused on sourcing and developing the raw materials required to construct lithium-ion batteries for use in the rapidly growing new and green technology sectors.

7 May 2018

Dear Shareholder,

SAYONA MINING LIMITED – PRO RATA RENOUNCEABLE ENTITLEMENT OFFER

The Entitlement Offer

On 4 May 2018, Sayona (**Company**) announced pro rata renounceable entitlement offer of 1 new share (**New Share**) for every 22 shares held at an issue price of \$0.051 per New Share, together with one free attaching option (**New Option**) for every 2 New Shares issued, to raise up to \$3,924,790 (**Entitlement Offer**).

The funds raised, together with funds received under Sayona's placement announced on 18 April 2018, will be utilised used to fund the further assessment of and the definitive feasibility study for the Company's Authier lithium project in Canada, with the aim of completing the definitive feasibility study this year. Funds will also be directed to exploration of the Company's Tansim and Mallina lithium projects and for working capital.

The Entitlement Offer is lead managed by Patersons Securities Limited.

Information in Prospectus

The Entitlement Offer is fully explained in the prospectus, which has been lodged with ASIC and released on to the ASX announcements platform (**Prospectus**). A copy of the Prospectus is available on the ASX website and also on the Company's website www.sayonamining.com.au.

New shares and new options to be issued pursuant to the Entitlement Offer

A maximum of 76,956,669 New Shares will be issued under the Entitlement Offer, with 1 free attaching New Option to be issued for every 2 New Shares issued under the Entitlement Offer.

The New Shares will be fully paid ordinary shares ranking equally in all respects with fully paid ordinary shares in the Company already on issue. Each new option may be exercised before 5:00pm AEST 30 April 2020 at an exercise price of \$0.078 and entitles the holder to one fully paid ordinary share.

All fractional entitlements under the Entitlement Offer will be rounded up to the nearest whole number.

The Company has applied for official quotation of New Shares and New Options to be issued pursuant to the Entitlement Offer, on ASX.

Additional Shares

Eligible Shareholders who take up their whole entitlement will also be able to apply for additional New Shares and free attaching New Options under a shortfall offer under the Prospectus, subject to allocation and scale-back at the Company's discretion in consultation with the lead manager.

Renounceable

Entitlements are renounceable and will be tradeable on ASX or otherwise during the period of 9 May 2018 to 17 May 2018. More information on trading Entitlements is set out in the Prospectus.

Eligible Shareholders

The Entitlement Offer is for all Sayona shareholders on record as at 7pm (AEST) on 10 May 2018 (**Record Date**) with registered addresses in Australia, New Zealand, Singapore or Hong Kong. The Company has determined it is unreasonable to make offers to shareholders other than those with registered addresses in those jurisdictions on the Record Date, having regard to the number of shareholders outside those jurisdictions, the number and value of the New Shares and New Options that would be offered and the cost of complying with legal and regulatory requirements outside those jurisdictions.

Capital Structure

The capital structure of the Company, on completion of the Entitlement Offer, assuming all Entitlements are taken up, will be as follows:

Shares	Number
Balance at the date of this letter	1,693,046,728
Maximum to be issued pursuant to the Entitlement Offer*	76,956,669
Total Shares on issue at close of the Offer	1,770,003,397
Options	Number
Balance at the date of this letter*	Nil
To be issued pursuant to the Entitlement Offer*	38,478,335
To be issued pursuant to the placement announced on 18 May 2018	109,000,000
Total options on issue at close of the Entitlement Offer	147,478,335

An Appendix 3B applying for quotation of the New Shares and New Options was lodged with ASX on 4 May 2018. The Company has not sought or obtained approval under ASX Listing Rule 7.1 for the issue of securities under the Entitlement Offer or the placement. The Company does not have any remaining issue capacity under Listing Rule 7.1, while it has remaining capacity under Listing Rule 7.1A to issue a further 51,229,319 securities.

Indicative Timetable

The indicative timetable for the Offer is as follows:

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The timetable is indicative only and subject to change. Subject to the ASX Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice.

The Company encourages all Eligible Shareholders to participate in the Entitlement Offer.

Contact

Please contact Paul Crawford, Company Secretary, on + 61 7 3369 7058 if you have any queries regarding the Entitlement Offer or your eligibility to participate in the Entitlement Offer.



For and on behalf of the Board
Paul Crawford
Company Secretary

7 May 2018

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As you are a shareholder with a registered address outside of Australia, New Zealand, Singapore or Hong Kong, the offer pursuant to the Entitlement Offer will not be extended to you. You do not have to take any further action in relation to the Entitlement Offer.

Contact

Please contact Paul Crawford, Company Secretary, on + 61 7 3369 7058 if you have any queries regarding the Entitlement Offer or your eligibility to participate in the Entitlement Offer.



For and on behalf of the Board
Paul Crawford
Company Secretary