



ASX ANNOUNCEMENT



4 May 2018

PRO RATA NON-RENOUNCEABLE ENTITLEMENT ISSUE

Sayona Mining Limited (ASX: SYA) (“Sayona” or “Company”) is pleased to announce a pro rata renounceable entitlement issue to Eligible Shareholders to enable them to participate in the Company's capital raising activities.

The entitlement issue is made on the basis of 1 New Share for every 22 Shares held on the Record Date, with 1 free attaching New Option to be issued for every 2 New Shares issued under the Entitlement Offer (**Offer**). The New Options have an exercise price of \$0.078 and an exercise period ending on 30 April 2020.

If fully subscribed, the Offer will raise \$3,924,790 before costs of the Offer.

The Entitlement offer will be lead managed and partially underwritten to \$2 million by Patersons Securities Limited.

The funds raised, together with funds received under Sayona's placement announced on 18 April 2018, will be utilised 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.

Prospectus lodged

The Company lodged a Prospectus for the Offer with ASIC today that sets out detailed information regarding the Offer. A copy of the Prospectus is available on the ASX website and also on the Company's website www.sayonamining.com.au.

New Shares to be issued pursuant to the Entitlement issue

Up to 76,956,669 New Shares and 38,478,335 New Options will be issued under the Offer. The New Shares issued under the Offer will be fully paid ordinary shares ranking equally in all respects with fully paid ordinary shares in the Company already on issue.

All fractional entitlements under the Entitlement issue 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 Offer, on ASX.

Offer is Renounceable

The Offer is renounceable, meaning that entitlements can be sold on ASX or otherwise transferred. Information on dealing with Entitlements is set out in the Prospectus.

Eligible Shareholders

The Offer is made to all the Company's shareholders on record as at 7pm (AEST) on 10 May 2018 (**Record Date**) with registered addresses in Australia, New Zealand, Singapore and 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 that would be offered and the cost of complying with legal and regulatory requirements outside those jurisdictions.

Timetable

The indicative timetable for the Offer is as follows:

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

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.

An Appendix 3B applying for quotation of the New Shares and New Options will be released to ASX separately to this announcement.

Sayona encourages all Eligible Shareholders to participate in the Offer.

For more information, please contact:

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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.