



Prospectus

Sayona Mining Limited ACN 091 951 978

For a pro rata renounceable entitlement offer of 1 New Share for every 22 Shares held at an issue price of \$0.051 per New Share together with one free attaching New Option for every 2 New Shares issued, to raise up to \$3,924,790.

Placement Options Offer

This Prospectus also includes an offer of up to 109,000,000 New Options to Eligible Subscribers under the Placement.

The Offers are not underwritten.

Important document

This Prospectus provides important information about the Company. You should read the entire document. If you have any questions about the New Shares or New Options being offered under this Prospectus, or any other matter relating to an investment in the Company, you should consult your professional advisers.

Not for Release or Distribution in the United States

This Prospectus may not be released or distributed in the United States. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this Prospectus have not been, and will not be, registered under the *US Securities Act* and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the *US Securities Act* and applicable US state securities laws.

An investment in the Company's securities is speculative.



Important Notices

This Prospectus is dated 4 May 2018 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. Application will be made to ASX within 7 days after the date of this Prospectus for the quotation of the New Shares and New Options the subject of this Prospectus.

Restrictions on Distribution

The distribution of this Prospectus in jurisdictions outside Australia, New Zealand, Singapore and Hong Kong may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who reside in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This document must not be distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy securities in the United States. Any securities described in this document have not been and will not be, registered under the *US Securities Act* and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the *US Securities Act* and applicable US state securities law.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

No person is authorised to provide any information or make any representation in connection with the Offers which is not contained in this Prospectus.

Entitlement Trading

Your Entitlement may have value. If you decide not to exercise all or part of your Entitlement you should consider whether to sell your Entitlement. It is important that you either accept or sell your Entitlements in accordance with the instructions in Section 3 of this Prospectus.

Individual Applicants are responsible for determining their allocations of Entitlements and New Shares and New Options before trading them. Eligible Shareholders who trade in Entitlements or New Shares and New Options before receiving confirmation of their application do so at their own risk.

Shareholders who take no action in respect of their Entitlements will receive no benefits.

Web Site – Electronic Prospectus

A copy of this Prospectus is available and can be downloaded from the website of the Company at www.sayonamining.com.au.

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia. Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus.

The Corporations Act prohibits any person passing onto another person an Entitlement and Acceptance Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company. If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Acceptance Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that when that person was given access to the electronic Entitlement and Acceptance Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Transaction Specific Prospectus

This Prospectus is a transaction specific prospectus issued under Section 713 of the Corporations Act, which allows the issue of more concise prospectuses for offers of continuously quoted securities (or securities convertible into continuously quoted securities). In preparing this Prospectus, consideration has been given to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and as such, it is subject to regular reporting and disclosure obligations. Please note that this Prospectus should be read in conjunction with publicly available information the Company has provided to ASIC and ASX and that copies of documents the Company has lodged with ASIC may be obtained from or inspected at an ASIC office.

Suitability of Investment & Risks

Before deciding to invest in the Company, prospective investors should read this Prospectus in its entirety and in particular, the risk factors in Section 5. They should carefully

consider these factors in the light of their personal circumstances (including financial and taxation issues) and seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding to invest.

Any investment in the New Shares of the Company should be regarded as speculative.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Disclaimer

The information contained in this Prospectus is not investment advice. Before deciding to invest in the Company, you should read and

understand the entire Prospectus and, in particular, in considering the Company's prospects, you should consider the risk factors that could affect the Company's performance. You should carefully consider these risk factors in Section 5 in light of your personal circumstances (including financial and taxation issues) and seek advice from your professional advisers before deciding to invest. Investing in the Company involves risks.

None of the Company, the Directors or any other person gives any guarantee as to the success of the Company, the repayment of capital, the payment of dividends, the future value of Shares and Options (including the New Shares and New Options) or the price at which they trade on the ASX.

Past Performance

Any references to past performance of the Company is no guarantee or guidance of future performance.

No Representations other than this Prospectus

No person or entity is authorised to give any information or to make any representation in connection with the Offers that is not contained in this Prospectus or has not been released to ASX with the authorisation of the Company.

The Entitlement and Acceptance Form accompanying this Prospectus is important. Please refer to the instructions in Section 3 of this Prospectus regarding the acceptance of the Entitlement Offer. Applications for the Entitlement Offer can only be submitted on the Entitlement and Acceptance Form that is available with this Prospectus. Applications for the New Options pursuant to the Placement Options Offer can only be submitted using the relevant application form supplied for that purpose to Eligible Subscribers.

Definitions

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary in Section 10.

Privacy

Please read the privacy information located in section 7.6 of this Prospectus. By submitting an Entitlement and Acceptance Form, you consent to the matters outlined in that Section.

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Timetable for the Offer

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

Note: These dates are indicative only and subject to change. The Company has the right to vary these dates without notice, including to close the Offer early or accept late Applications, either generally or in particular cases.

Key Statistics for the Offer

Shares currently on issue	1,693,046,728
Options currently on issue	Nil
New Shares to be issued under the Entitlement Offer (and Shortfall Offer)	76,956,669
New Options to be issued under the Entitlement Offer	38,478,335
New Options to be issued under the Placement Options Offer	109,000,000
Total Shares on issue at close of the Offers	1,770,003,397
Total Options on issue at close of the Offers	147,478,335
Issue Price per New Share	\$0.051
Maximum amount to be raised under the Offers	\$3,924,790

Note: This table assumes full subscription under the Offers.

MESSAGE FROM THE MANAGING DIRECTOR

4 May 2018

Dear Shareholder,

On 18 April 2018, the Company announced that it had received firm commitments from international and domestic institutional and sophisticated investors for an A\$11 million Placement, and intended to undertake a pro rata renounceable entitlement offer. The Placement was settled on 23 April 2018.

On behalf of your Directors, I am pleased to invite you to participate in this Entitlement Offer providing you with the opportunity to subscribe for 1 New Share for every 22 Shares held on the Record Date, at an issue price of 5.1 cent (\$0.051) per New Share.

The Issue Price of the New Shares is the same as that settled under the Placement. The Entitlement Offer is an offer to raise approximately \$3.9 million.

This Prospectus contains details about the Entitlement Offer, including information about how to participate and relevant risk factors.

Entitlement and Shortfall Offers

This Prospectus relates to the Entitlement Offer, which offers Eligible Shareholders the opportunity to subscribe for one 1 New Share for every 22 Shares held on the Record Date.

Eligible Shareholders may also apply for Additional New Shares in excess of their Entitlement under the Shortfall Offer, although any application for Shortfall Securities may be scaled back or allocated at the Company's discretion.

Use of Funds

The net proceeds of the Offers (together with the Company's existing cash) will be 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. In this regard, see Section 4.2.

Actions required to take up your Entitlement

The Offers close at **5pm AEST on 24 May 2018**. To participate, you need to ensure that either your completed Entitlement and Acceptance Form and Application Money or your Application Money submitted by BPAY® are received by the Company's Share Registry before this time in accordance with the instructions set out on the form and in Section 3 of this Prospectus.

Renounceable

Entitlements are renounceable and will be tradeable on ASX during the period of 9 May 2018 to 17 May 2018.

Caution

It is important that you carefully read this Prospectus and the other publicly available information about the Company on our website (www.sayonamining.com.au) and consider in particular, the risk factors set out in Section 5, before making any investment decision.

With this Prospectus you will also find your Entitlement and Acceptance Form which details your Entitlement and provides instructions on how to participate in the rights issue.

On behalf of the Directors, I invite you to consider this opportunity and thank you for your continued support.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Dennis O'Neill', written in a cursive style.

Mr Dennis O'Neill
Managing Director

1. Investment Summary

1.1 Overview of Offers

The Offers are:

- (a) the **Entitlement Offer**, pursuant to which Eligible Shareholders are being sent this Prospectus, together with a personalised Entitlement and Acceptance Forms, and are being invited to take up all or part of their Entitlements;
- (b) the **Shortfall Offer**, under which New Shares and New Options attributable to Entitlements:
 - (i) not taken up by Eligible Shareholders; or
 - (ii) that would have been offered to Ineligible Shareholders if they had been entitled to participate in the Entitlement Offer,will be offered under a Shortfall Facility to Eligible Shareholders that have exercised their Entitlement in full and who apply for additional Shortfall Securities; and
- (c) the **Placement Options Offer**, under which 109,000,000 New Options are offered to Eligible Subscribers under the Placement on the basis of 1 free New Option for every 2 Shares subscribed for under the Placement.

1.2 The Entitlement Offer

The Company is making the Entitlement Offer as a renounceable entitlement issue to Eligible Shareholders on the basis of 1 New Share for every 22 Shares held as at the Record Date, at an Issue Price of \$0.051 per New Share to raise approximately \$3,924,790 (before costs of the Offers).

For every 2 New Shares issued under the Entitlement Offer, 1 free attaching New Option will be issued, having an exercise price of \$0.078 and an exercise period ending on 30 April 2020.

Up to 76,956,669 New Shares and 38,478,335 New Options will be issued under the Entitlement Offer.

The Issue Price represents:

- (a) a discount of approximately 15% to the Company's 15 day volume weighted average share price traded on the ASX prior to the Company announcing the capital raising on 18 April 2018;
- (b) a discount of approximately 10% to the Company's 30 day volume weighted average share price traded on the ASX prior to the lodgement of this Prospectus; and
- (c) a premium of approximately 1.07% to the Company's 5 day volume weighted average share price traded on the ASX prior to the lodgement of this Prospectus.

1.3 Who are Eligible Shareholders?

The Entitlement Offer is made to Eligible Shareholders only. Eligible Shareholders are those Shareholders who are the registered holder of Shares as at the Record Date and have a registered address in Australia, New Zealand, Singapore or Hong Kong.

1.4 No underwriting

The Entitlement Offer is not underwritten.

1.5 Shortfall Offer

A Shortfall Offer will allow Eligible Shareholders that have fully subscribed for their full Entitlements under the Entitlement Offer to subscribe for additional Shortfall Securities. Eligible Shareholders can subscribe for Shortfall Securities by completing the relevant part of the Entitlement and Acceptance Form, or through BPAY® (refer to Section 2.2).

The Directors in consultation with the Lead Manager reserve the right to issue any New Shares and New Options not taken up as Entitlements or allocated under the Shortfall Offer, within three months following the Closing Date at a price not less than the Issue Price.

1.6 Rounding of fractions

Entitlements will be rounded up to the nearest whole number.

1.7 Is there a minimum subscription?

There is no minimum subscription to the Offers.

1.8 How to apply for New Shares under the Entitlement Offer

Applications for New Shares and free attaching New Options can be made by Eligible Shareholders completing the relevant sections of the Entitlement and Acceptance Form accompanying this Prospectus and sending it to the Share Registry together with payment by cheque or BPAY® in the amount of Entitlement applied for.

Refer to Section 3 for more information.

1.9 What are the terms of the New Shares and New Options

Upon issue, each New Share will rank equally with all existing Shares then on issue. A summary of the rights and liabilities attaching to the New Shares and New Options is set out in Section 6.

1.10 How will the Shortfall Securities be allocated?

The Company in consultation with the Lead Manager reserves the right to scale back any applications for Shortfall Securities in its absolute and sole discretion. When determining the amount (if any) by which to scale back an Application, the Company may take into account a number of factors, including the size of an Applicant's shareholding in the Company, the extent to which an Applicant has sold or bought Shares in the Company before and after both the announcement of the Entitlement Offer and the Record Date, as well as when the Application was made.

1.11 How to sell Entitlements

The Entitlements are renounceable. This allows Eligible Shareholders who do not wish to subscribe for some or all of their Entitlements to sell those Entitlements. In this regard, refer to Section 3.

1.12 Purpose of the Entitlement Offer and Use of Funds

The Entitlement Offer is structured to raise a maximum of \$3,924,790. The table below sets out the Company's proposed use of funds, having regard to the Company's existing cash reserves and the funds to be raised, assuming all Entitlements are taken up:

Funds Available	Maximum amount raised under the Offers (\$)
Existing Cash Reserves ¹	12,230,037
Proceeds of the Offers	3,924,791
Total	16,154,828
Allocation of funds (\$)	
Authier Project expenditure	12,000,000
Tansim and Mallina lithium projects expenditure	1,000,000
Offer expenses ²	370,000
Working Capital	2,784,828
Total	16,154,828

Notes

1 This amount is the total cash at 18 April 2018 as recorded in the Company's pro forma accounts - see Section 4.4.

2 For further details of the expenses of the Offers, refer to Section 7.17.

The above is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to materially affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis and otherwise having regard to their fiduciary duties.

1.13 The Company's ASX announcements

The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its last Annual Report are listed in Section 7.2.

Copies of these documents are available free of charge from the Company. Directors strongly recommend that potential Applicants review these and all other announcements prior to deciding whether or not to participate in the Offers.

1.14 Market prices of existing Shares on ASX

The highest and lowest market sale price of the Company's Shares during the 3 months immediately preceding the lodgement of this Prospectus with the ASIC and the last market sale price on the date before the lodgement date of this Prospectus, are set out below.

	3 month high	3 month low	Last market sale price
Price	\$0.072	\$0.046	\$0.047
Date	15/02/2018	05/02/2018	03/05/2018

1.15 What are the Directors' interests in the Company's securities and their intentions regarding their Entitlements?

As at the date of this Prospectus, some of the Directors have either a direct or indirect interest in Shares. Set out below is a table summarising the beneficial interest in the securities of the Company and the Entitlement of each Director (based on their current holdings) and how they intend to treat their Entitlements.

Director	Shares	Voting Power	Entitlement - New Shares	Entitlement - New Options	Intentions re Entitlement
Mr Paul Anthony Crawford	96,901,236	5.72%	4,404,602	2,202,301	Accept Entitlement for between 1,000,000 and 2,000,000 New Shares
Mr Allan Charles Buckler	95,963,747	5.67%	4,361,989	2,180,994	Accept Entitlement for between 1,000,000 and 2,000,000 New Shares
Mr Dennis Charles O'Neill	86,593,477	5.11%	3,936,067	1,968,034	Accept Entitlement for between 1,000,000 and full Entitlement
Mr James Stuart Brown	3,048,876	0.18%	138,585	69,293	Accept Entitlement in full

1.16 Who are substantial holders of the Company's Shares?

Based on substantial shareholder notices received prior to the date of this Prospectus, those persons (together with their associates) who have a relevant interest of 5% or more in the Shares on issue, are set out below:

Shareholder	Holding	Voting Power	Entitlement New Shares	Entitlement New Options
Citicorp Nominees Pty Limited	94,048,089	5.55	4,274,913	2,137,457
P Point Pty Ltd <AB Super Fund A/C> ¹	93,638,166	5.53	4,256,280	2,128,140
Terryjoy Pty Ltd <T & J Smith Super Fund A/C>	92,755,813	5.48	4,216,173	2,108,087
Cropanly Pty Ltd <Two Endeavour Super A/C> ²	92,118,883	5.44	4,187,222	2,093,611

1. Entity related to Mr Allan Charles Buckler

2. Entity related to Mr Paul Anthony Crawford

1.17 What is the effect of the Entitlement Offer on control of the Company?

The effect of the Entitlement Offer on the control of the Company will vary with the level of Entitlements and Shortfall Securities taken up by Eligible Shareholders.

If all Entitlements are accepted, there will be no change in the substantial Shareholders on completion of the Offers.

Further, the Company notes that neither the substantial Shareholders nor any other Shareholder will be issued New Shares (or attaching New Options) under the Shortfall Offer if the issue of those New Shares would contravene the takeover prohibition in section 606 of the Corporations Act. Refer to Section 2.2 for further details with respect to the Shortfall Offer.

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by up to 4.55% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders is set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements - Shares	Holdings if Entitlement not taken Up	% post Offers
Shareholder 1	10,000,000	0.59%	454,545	10,000,000	0.56%
Shareholder 2	5,000,000	0.30%	227,273	5,000,000	0.28%
Shareholder 3	1,500,000	0.09%	68,182	1,500,000	0.08%
Shareholder 4	400,000	0.02%	18,182	400,000	0.02%
Shareholder 5	50,000	0.00%	2,273	50,000	0.00%

1.18 CHESS

The Company will apply for the New Shares and New Options to participate in CHESS, in accordance with the ASX Listing Rules and ASX Settlement Operating Rules.

The Company will not issue certificates to Shareholders with respect to the New Shares or New Options. After allotment of the New Shares and New Options, Shareholders who are issuer sponsored will be provided with an issuer sponsored statement and those who are CHESS holders will receive an allotment advice.

The CHESS statements, which are similar in style to bank account statements, will set out the number of New Shares and New Options allotted to each successful Applicant pursuant to this Prospectus. The statement will also advise holders of their holder identification number. Further statements will be provided to holders which reflect any changes in their holding in the Company during a particular month.

1.19 Overseas Shareholders

This Prospectus is only intended to be distributed and made available to Eligible Shareholders and is personal to each Shareholder to whom it has been sent. These Offers do not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of New Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and securities will not be issued to Shareholders with a registered address which is outside Australia, New Zealand, Singapore and Hong Kong.

The distribution of this Prospectus in jurisdictions outside Australia, New Zealand, Singapore and Hong Kong may be restricted by law and persons who come into possession of this Prospectus outside of those jurisdictions should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the securities the subject of this Prospectus or otherwise permit a public offering of the securities the subject of this Prospectus in any jurisdiction outside Australia, New Zealand, Singapore and Hong Kong.

If you are outside Australia, New Zealand, Singapore or Hong Kong, it is your responsibility to obtain all necessary approvals for the issue of the securities pursuant to this Prospectus. The return of a completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

1.20 No cooling off rights

Cooling off rights do not apply to an investment in New Shares and New Options. You cannot withdraw your application or payment once it has been accepted, except as permitted by law.

1.21 Withdrawal of Prospectus

The Directors may, at any time, withdraw this Prospectus, in which case the Company will repay, as soon as practicable and without interest, all Application Monies received.

1.22 Key Risk Factors

(a) Future capital requirements

Whilst the Offers will position the Company well for the purposes identified in this Prospectus, the Company will require further financing in addition to amounts raised under the Offers. Any additional equity financing may dilute existing shareholdings. Debt financing, if available, may involve restrictions on financing and operating activities.

There can be no assurance that the Company will be able to obtain additional financing when required in the future, or that the terms and timeframes associated with such financing will be acceptable to the Company. This may have an adverse effect on the Company's ability to achieve its strategic goals and have a negative effect on the Company's financial results, liquidity position and the value of the Company's Shares.

See Section 5.1(a).

(b) Exploration risk

By its nature, the business of exploration is a highly speculative endeavour and involves significant risks. The Company's performance depends on the successful exploration and/or acquisition of resources or reserves, competent operational management and efficient financial management. The Company undertakes sampling, geophysics and drilling programs, and the outcomes of these programs will dictate the future performance of the Company. Further, the nature of exploration can sometimes result in industrial accidents and other incidents beyond the control of the Company.

See Section 5.1(c).

(c) Feasibility and Development risks

Given the stage of the Company's projects, there will be a complex, multidisciplinary process undertaken to complete a feasibility study to support any development proposal. There is a risk that the feasibility study and associated technical works will not achieve the results expected. There is also a risk that even if a positive feasibility study is produced, the project may not be successfully developed for commercial or financial reasons.

See Section 5.1(d).

(d) Resource and reserve estimates

Resource and reserve estimates are inherently prone to variability. They involve expressions of judgement with regard to the presence and quality of mineralisation and the ability to extract and process the mineralisation economically. These judgments are based on a variety of matters such as drilling results, past experience, knowledge and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations and reduce the estimated amount of mineral resources and ore reserves available for production and expansion plans.

See Section 5.1(e).

(e) Risk that an Environmental Impact Assessment will be required

The Quebec national assembly has amended the Environment Quality Act (**EQA**), which applies to the Company's projects in Quebec. The EQA now grants the Quebec government the power, in exceptional circumstances, to designate a project that is not specifically listed by regulation as being subject to the environmental impact assessment and review procedure, when the government is of the view that the project presents major climate change issues, or raises major environmental risks and that public concerns with respect to such risks justify a review. There is a risk that the Quebec government may exercise this power to require an environmental impact assessment in relation to the Company's Authier or other Quebec projects, which will result in a significant increase in development costs and material delay in development of the affected projects.

See Section 5.1(f).

(f) Future approvals risk

The Company has all relevant approvals to conduct its current operations. Prior to commencement of any future operations, the Company may require higher tenure. There is no assurance that such approvals will be received or that the conditions within the approvals will not be overly onerous.

See Section 5.1(g).

(g) Permitting risk

Interests in mining tenements are governed by legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and has annual expenditure and reporting commitments, together with other conditions requiring compliance. While the Company has good title to its tenements, the Company could lose its title to or its interest in one or more of tenements in which

it has an interest if licence conditions are not met or if there are insufficient funds available to meet the minimum expenditure commitments.

The Company cannot guarantee that any tenements in which it has an interest will be renewed beyond their current expiry date and there is a material risk that, in the event the Company is unable to renew any of its tenements beyond their current expiry date, all or part of the Company's interests in the corresponding projects may be relinquished.

See Section 5.1(h).

(h) Native title, First Nation and heritage risk

It is possible that significant or sacred Aboriginal sites found within tenements held by the Company now in Australia, and obtained in the future, may preclude exploration and mining activities and the Company may also experience delays with respect to obtaining permission from the traditional owners to explore for, and extract, resources. The Company must comply with Aboriginal heritage legislation, requirements and access agreements which require heritage survey work to be undertaken ahead of the commencement of operations. It is possible that tenements may not be available for exploration due to Aboriginal heritage issues (whether in respect of registered sites or not).

The ability of the Company to progress from the exploration phase of its Canadian projects to the development and mining phases of operations will require successful negotiations with the relevant Canadian First Nation interest groups which cannot be guaranteed. First Nation interests may adversely affect the Company's operations and its ability to explore or develop tenements in a timely manner.

See Section 5.1(i).

(i) Operating risk

The operations of the Company may be affected by various factors, including operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions (e.g. significant rainfall); delays in construction of tailings dam wall lifts; industrial and environmental accidents; industrial disputes; and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. Such changes may have an adverse effect on the operations and production ability of the Company by increasing costs or delaying activities.

See Section 5.1(o).

(j) Commodity price volatility and exchange rates risk

Any revenue the Company derives from the sale of commodities is exposed to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for commodities, technological advancements, forward selling activities, financial investment and speculation and other macroeconomic factors.

See Section 5.1(l).

(k) Lack of Hedging

Currently, the Company does not have any currency hedging arrangements in place, but this may change if the Directors form the view that the cost of such arrangements is appropriate. This means the Company does not currently have measures in place to soften the adverse effect of currency movements.

See Section 5.1(m).

(l) Environmental risks

The minerals and mining industry has become subject to increasing environmental regulations and liability. The operations and proposed activities of the Company are subject to Australian and Canadian laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds.

Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

See Section 5.1(k).

(m) Key personnel

The Company's success depends to a significant extent upon its key management personnel, as well as other management and technical personnel including subcontractors. The Company's inability to recruit additional appropriately skilled and qualified personnel to replace any key personnel who may leave the Company at some point in the future could have an adverse effect on the Company. There can be no guarantee that personnel with the appropriate skills will be available within the Company's required timeframes.

See Section 5.1(t).

(n) Changes in laws and government policy

Changes to government regulations, law (including taxation and royalties) and policies, both domestically and internationally, under which the Company operates may adversely impact the Company's activities, planned projects and the financial performance of the Company.

See Section 5.2(d).

(o) Country risk

Activities related to the Company's Canadian projects are governed by Canadian law. There is no assurance that future political and economic conditions in Canada will not result in the Canadian government adopting different policies regarding foreign development and ownership of mineral resources. Any changes in policy may result in legislative changes affecting ownership of assets, taxation, rates of exchange, environmental protection, labour relations, repatriation of income and return on capital, all of which may affect the Company's ability to successfully develop the Company's Canadian projects.

See Section 5.1(u).

2. Details of the Offers

2.1 Entitlement Offer

The Entitlement Offer is an offer of approximately 76,956,669 New Shares at an issue price of \$0.051 per New Share, on the basis of 1 New Share for every 22 Shares held by Eligible Shareholders on the Record Date, to raise up to \$3,924,790 (before costs of the Offers). For every 2 New Shares issued, the Applicant will also be issued 1 free attaching New Option.

The Company will apply for the New Shares and New Options to be granted official quotation on ASX within 7 days of lodgement of this Prospectus with ASIC.

The Entitlement Offer is an offer to Eligible Shareholders only.

An Entitlement and Acceptance Form setting out your Entitlement accompanies this Prospectus.

(a) Minimum subscription

There is no minimum subscription to the Entitlement Offer.

(b) Eligibility of Shareholders

The Entitlement Offer is made to Eligible Shareholders only. Eligible Shareholders are Shareholders on the Record Date who have a registered address in Australia, New Zealand, Singapore or Hong Kong or who are Shareholders that the Company has otherwise determined are eligible to participate.

(c) What Eligible Shareholders may do

The number of New Shares and free attaching New Options to which Eligible Shareholders are entitled is shown on the accompanying personalised Entitlement and Acceptance Form. Eligible Shareholders may, at their election:

- (i) take up all of their Entitlement (refer to Section 3.1);
- (ii) take up all of their Entitlement and apply for additional Shortfall Securities under the Shortfall Offer (refer to Section 3.2);
- (iii) sell all of their Entitlement on ASX (refer to Section 3.3);
- (iv) take up a proportion of their Entitlement and sell the balance on ASX (refer to Section 3.4);
- (v) take up a proportion of their Entitlement and allow the balance to lapse (refer to Section 3.5);
- (vi) sell all or a proportion of their Entitlement other than on ASX (refer to Section 3.6); or
- (vii) allow all or part of their Entitlement to lapse (refer to Section 3.7).

2.2 The Shortfall Offer

If any Eligible Shareholders do not take up their full Entitlement, the New Shares and attaching New Options that are not taken up, will form part of the Shortfall. Ineligible

Shareholders may not take up their Entitlements under the Entitlement Offer and accordingly, New Shares and attaching New Options that would have otherwise been offered to them (had they been Eligible Shareholders) will also form part of the Shortfall.

Eligible Shareholders may, in addition to applying for their Entitlement, apply for Shortfall Securities (being additional New Shares and attaching New Options comprising the Shortfall) under the Shortfall Offer.

The Shortfall Offer is a separate offer pursuant to this Prospectus. The Issue Price of the New Shares and the terms of the attaching free New Options under the Shortfall Offer are the same as those under the Entitlement Offer. The timing and dates for participating in the Shortfall Offer are the same as the Entitlement Offer.

There is no guarantee that Eligible Shareholders will receive any or all of the Shortfall Securities they apply for. It is an express term of the Shortfall Offer that Eligible Shareholders may receive no allocation of Shortfall Securities applied for and if any are allotted in response to an application under the Shortfall Offer, the relevant Eligible Shareholders must accept any such lesser number of Shortfall Securities (being less than the number actually applied for) as are issued in response to such an application.

Any money paid for Shortfall Securities that are not issued to an Eligible Shareholder who applies for them will be returned to the Eligible Shareholder without interest.

Shortfall Securities that are issued to Eligible Shareholders will be issued at the same time as the New Shares and attaching New Options to be issued pursuant to the acceptance of Entitlements.

The Company in consultation with the Lead Manager reserves the right to issue Shortfall Securities at its absolute discretion, subject to the ASX Listing Rules and the Corporations Act.

2.3 Placement Options Offer

This Prospectus includes the Placement Options Offer, being an offer of up to 109,000,000 New Options to Eligible Subscribers, on the basis of 1 free New Option for every 2 Shares subscribed for by Eligible Subscribers under the Placement.

The New Options offered pursuant to the Placement Options Offer are being issued out of the Company's placement capacity.

Only Eligible Subscribers may accept the Placement Options Offer, by using the relevant personalised application form given to them by the Company.

2.4 Important Dates

Eligible Shareholders and Eligible Subscribers should note the following important dates:

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

Event	Date
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

Note: These dates are indicative only and subject to change. The Company has the right to vary these dates without notice, including to close the Offers early or accept late Applications, either generally or in particular cases.

2.5 Fees and Commissions

The Company has assumed contractual obligations to pay fees in respect of any funds raised under this Prospectus, as set out in Section 7.1.

2.6 Closing Date of the Offer

The Offers will close on 24 May 2018 at 5.00pm (AEST). The Company reserves the right to close the Offers early or to extend the Closing Date of the Offers without prior notice.

2.7 Costs of the Offers

The Company estimates the costs of the Offers to be approximately \$134,619. In this regard, refer to Section 7.17.

2.8 Quotation of New Shares and New Options

Application will be made within seven (7) days of the date of this Prospectus to the ASX for the New Shares to be granted official quotation by ASX. Application will be made at the same time for official quotation of all New Options (including those issued to Eligible Subscribers under the Placement Options Offer and those offered outside of this Prospectus to Ineligible Subscribers). All New Options will, upon official quotation on ASX, form a single class of quoted Options.

If granted, official quotation of the New Shares and New Options will commence as soon as practicable after allotment of the New Shares and New Options to Applicants. It is the responsibility of the Applicants to determine their allocation of New Shares and New Options prior to trading.

Should the New Shares and New Options not be granted official quotation on the ASX within 3 months after the date of this Prospectus, none of the New Shares or New

Options offered under this Prospectus will be issued and all Application Monies will be refunded without interest to Applicants within the time prescribed by the Corporations Act.

2.9 Allotment

It is expected that allotment of the New Shares and all New Options will take place forthwith after the Closing Date of the Offer and the receipt of approval for quotation of the New Shares and New Options from ASX. In this regard, see Section 2.4.

2.10 Foreign Shareholders

The Company has decided that it is unreasonable to make the Offers to Ineligible Shareholders and Ineligible Subscribers, having regard to the number of Shareholders in those places, the number and value of the New Shares that they would be offered (or in the case of Ineligible Subscribers, the number of New Options they would be offered) and the cost of complying with the legal and regulatory requirements in those places. Accordingly, the Offers are not being extended to, and do not qualify for distribution or sale by or to, and no New Shares or New Options are offered under this Prospectus to Shareholders having registered addresses outside Australia, New Zealand, Singapore or Hong Kong.

The Company has not made any investigation as to the regulatory requirements that may prevail in the countries outside of Australia, New Zealand, Singapore or Hong Kong in which Shareholders may reside. The distribution of this Prospectus in jurisdictions other than Australia, New Zealand, Singapore or Hong Kong may be restricted by law and any failure to comply with such restrictions might constitute a violation of applicable securities laws.

In any event, the Entitlement Offer, the Shortfall Offer and the Placement Options Offer are only made to and may only be accepted by Eligible Shareholders and Eligible Subscribers respectively. No offer is made pursuant to this document in any place in which, or to any person to whom, it would be unlawful to make such an offer.

(a) New Zealand

The Offers are being made in New Zealand pursuant to the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016*.

(b) Hong Kong

This Prospectus has not been, and will not be, registered as a prospectus under the *Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32)* of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the *Securities and Futures Ordinance (Cap. 571)* of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this Prospectus or to permit the distribution of this Prospectus or any documents issued in connection with it. Accordingly, the Shares and New Options offered have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the New Shares and New Options has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares

or New Options may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offers. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

If you (or any person for whom you are acquiring the New Shares) are in Hong Kong, you (and any such person) warrant by lodging an Entitlement and Acceptance Form that you are a "professional investor" as defined under the *Securities and Futures Ordinance of Hong Kong, Chapter 571* of the Laws of Hong Kong.

(c) Singapore

This Prospectus and any other materials relating to the New Shares or New Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares or New Options, may not be issued, circulated or distributed, nor may the New Shares or New Options be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the New Shares or New Options being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares or New Options. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

2.11 Appointment of Nominee

Pursuant to ASX Listing Rule 7.7, the Company has appointed the Lead Manager as nominee to sell the Entitlements to which Ineligible Shareholders are entitled. The Lead Manager will have the absolute and sole discretion to determine the timing and price at which the Entitlements will be sold and the manner of any such sale.

Any interest earned on the proceeds of the sale of these Entitlements will, firstly, be applied against expenses of such sale, including brokerage and any balance will accrue to the relevant Ineligible Shareholders as described below.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the

Company for distributing those proceeds, such proceeds may be retained by the Company.

Ineligible Shareholders may receive no net proceeds if the costs of the sale are greater than the sale proceeds. In this regard, the Lead Manager will not be required to sell Ineligible Shareholders' Entitlements at a particular price.

Neither the Company nor the Lead Manager will be subject to any liability for failure to sell the Entitlements or to sell them at a particular price. If, in the reasonable opinion of the Lead Manager, there is no viable market for the Entitlements of the Ineligible Shareholders, or if a surplus over the expenses of the sale cannot be obtained in relation to the Entitlements that would have been offered to the Ineligible Shareholders, then those Entitlements will be allowed to lapse.

2.12 Cautionary notice to nominees, trustees and custodians

The foreign selling restrictions summarised in Section 2.10 apply to underlying beneficial holders. Nominees, trustees and custodians must not apply for Entitlements on behalf of any beneficial holder that would not itself be an Eligible Shareholder. Shareholders who hold Shares on behalf of persons who are resident outside Australia, New Zealand, Singapore or Hong Kong are responsible for ensuring that accepting an Offer and receiving New Shares and New Options does not breach regulations in the relevant overseas jurisdictions. Return of a completed Entitlement and Acceptance Form or payment via BPAY® will constitute a representation by the Applicant that there has been no breach of such regulations with respect to the Offers.

Eligible Shareholders who are nominees, trustees and custodians are therefore advised to seek independent advice as to how they should proceed. Failure to comply with restrictions set out in this Prospectus may result in violations of applicable securities laws.

2.13 Directors' Interests in the Company

The Directors' beneficial interests in the capital of the Company at the date of this Prospectus and their Entitlements, are as follows:

Director	Shares	Voting Power	Entitlement - New Shares	Entitlement - New Options	Intentions re Entitlement
Mr Paul Anthony Crawford	96,901,236	5.72%	4,404,602	2,202,301	Accept Entitlement for between 1,000,000 and 2,000,000 New Shares
Mr Allan Charles Buckler	95,963,747	5.67%	4,361,989	2,180,994	Accept Entitlement for between 1,000,000 and 2,000,000 New Shares
Mr Dennis Charles O'Neill	86,593,477	5.11%	3,936,067	1,968,034	Accept Entitlement for between 1,000,000 and full Entitlement
Mr James Stuart Brown	3,048,876	0.18%	138,585	69,293	Accept Entitlement in full

2.14 Electronic Prospectus

An electronic version of this Prospectus is available online at www.sayonamining.com.au.

The Entitlement and Acceptance Form may only be distributed together with a complete and unaltered copy of the Prospectus. The Company will not accept a completed Entitlement and Acceptance Form if it has reason to believe that the investor has not received a complete paper copy or electronic copy of the Prospectus or if it has reason to believe that the Entitlement and Acceptance Form or electronic copy of the Prospectus has been altered or tampered with in any way.

While the Company believes it is extremely unlikely that during the Offer Period the electronic version of the Prospectus will be tampered with or altered in any way, the Company cannot give any absolute assurance that this will not be the case. Any investor in doubt concerning the validity or integrity of an electronic copy of the Prospectus should immediately request a paper copy of the Prospectus directly from the Company or the Share Registry.

2.15 Risks of the Offer

An investment in securities of the Company should be regarded as speculative.

In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company, which are summarised in Section 5.

2.16 Taxation implications

The Directors do not consider it appropriate to give advice regarding the taxation consequences of subscribing for New Shares and New Options under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences. As a result, Shareholders should consult their professional tax adviser in connection with their Entitlement under this Prospectus.

2.17 Brokerage, handling fees and stamp duty

No brokerage, handling fees or stamp duty is payable by Applicants in respect of their applications for New Shares and New Options under this Prospectus. The amount payable on acceptance will not vary during the period of the Entitlement Offer and no further amount is payable on allotment.

Application Monies will be held in trust in a subscription account until allotment of the New Shares and New Options. The subscription account will be established and kept by the Company on behalf of the Applicants. Any interest earned on the Application Monies will be retained by the Company irrespective of whether allotment takes place.

2.18 Placement of Shortfall

If there is a Shortfall not taken up by Eligible Shareholders, the Directors reserve the right, as contemplated within the ASX Listing Rules, to issue any unallocated Shortfall in consultation with the Lead Manager at their discretion within three months after the Closing Date at an issue price being not less than the Issue Price.

2.19 Enquiries

Any queries regarding the Offers should be directed to Paul Crawford, Company Secretary, on + 61 7 3369 7058.

3. How to Apply under the Offers

3.1 Taking up all of your Entitlement

Should you wish to accept all of your Entitlement, then applications for New Shares and New Options under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus or by completing a BPAY® payment, in accordance with the instructions to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque for the Application Monies indicated on the Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to the account name set out in the Entitlement and Acceptance Form and lodged and received at any time after the issue of this Prospectus and the Closing Date at the Company's Share Registry (by delivery or by post) in accordance with the details set out in the Entitlement and Acceptance Form.

If you wish to pay via BPAY®, you must follow the personalised instructions in your Entitlement and Acceptance Form - please refer to Section 3.10. Make sure that you use the specific Biller Code and unique Customer Reference Number (CRN) on your personalised Entitlement and Acceptance Form. You do not need to return a completed Entitlement and Acceptance Form in that case, but are taken to have made the declarations in the Entitlement and Acceptance Form and the representations outlined below in Section 3.11.

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those shareholdings, only use the CRN specific to that shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same CRN for more than one of your shareholdings, as this will result in your Application Monies being applied to your Entitlement in respect of only one of your shareholdings (with the result that any application in respect of your remaining shareholdings will not be valid).

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment. You should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY® are received by 5:00pm (AEST) on the Closing Date.

The Company will not be responsible for any postal or delivery delays or delay in the receipt of the BPAY® payment.

3.2 Taking up all of your Entitlement and applying for Shortfall Securities under the Shortfall Offer

Should you wish to accept all of your Entitlement and apply for Shortfall Securities under the Shortfall Offer, then applications for New Shares and attaching free New Options under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus or by completing a BPAY® payment, in accordance with the instructions in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully and follow them.

3.3 Selling all your Entitlement on ASX

The Entitlements under the Entitlement Offer are renounceable, which means that all or part of an Eligible Shareholder's rights to subscribe for New Shares and attaching New Options under the Entitlement Offer may be traded on ASX. If you wish to sell all of your Entitlement on ASX, provide instructions to your stockbroker regarding the Entitlement you wish to sell on ASX.

Trading of Entitlements will commence on ASX on 9 May 2018 and will cease on 17 May 2018.

There is no guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on ASX or that any particular price will be paid for the Entitlements sold on ASX.

3.4 Taking up a proportion of your Entitlement and selling the balance on ASX

If you wish to take up only part of your Entitlement, complete the accompanying personalised Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the steps in Section 3.1 or make a payment by BPAY® in accordance with Section 3.10.

Subsequently, provide instructions to your stockbroker regarding the proportion of your Entitlement you wish to sell on ASX.

3.5 Taking up a proportion of your Entitlement and allowing the balance to lapse

If you wish to take up only part of your Entitlement and allow the balance to lapse, complete the accompanying personalised Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the steps in Section 3.1. If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from taking up or selling that part of your Entitlement.

3.6 Selling all or a proportion of your Entitlement other than on ASX

You may elect to transfer all or a proportion of your Entitlement to another person other than on ASX. If the purchaser of your Entitlement is an Ineligible Shareholder or a person that would be an Ineligible Shareholder if they were a registered holder of Shares, that purchaser will not be able to take up the Entitlement they have purchased.

If you are a Shareholder on the issuer sponsored subregister and you wish to transfer all or a proportion of your Entitlement to another person other than on ASX, forward a completed standard renunciation and transfer form (obtainable from the Share Registry) and the applicable transferee's cheque for the Shares they wish to subscribe for, payable to the account name set out in the Entitlement and Acceptance Form and crossed "Not Negotiable", to the Share Registry (by delivery or by post at any time after the issue of this Prospectus and the Closing Date) in accordance with the details set out in the Entitlement and Acceptance Form.

If you wish to transfer all or a proportion of your Entitlement to or from another person on the CHESS subregister, you must engage your CHESS controlling participant (usually your stockbroker). If the transferee wants to exercise some or all of the Entitlement, you should follow your stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf. The Application Monies for Securities the transferee of the Entitlement wants to acquire, must be received by the Share Registry in accordance with Section 3.1.

3.7 Allow all or part of your Entitlement to lapse

Your Entitlement may have value and is renounceable, enabling Eligible Shareholders who do not wish to take up part or all of their Entitlement, to seek to sell or trade all or some of their Entitlement on ASX or otherwise.

If you do not wish to accept or trade any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement or dispose of your Entitlement by the Closing Date, the Entitlement Offer to you will lapse.

3.8 Placement Options Offer

Eligible Subscribers may take up their New Options using the personalised application form sent to them. Offers of New Options under the Placement Options Offer are not renounceable.

3.9 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Sayona Mining Limited" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5:00 pm (AEST) on the Closing Date.

3.10 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Securities covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5:00 pm (AEST) on the Closing Date. You should be aware that your financial institution may implement cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any Application Monies received for more than your final allocation of New Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any Application Monies received or refunded.

3.11 Binding effect of Entitlement and Acceptance Form

A completed and lodged Entitlement and Acceptance Form, or a payment made through BPAY®, constitutes a binding offer to acquire New Shares and free attaching New Options on the terms and conditions set out in this Prospectus and once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly, it may still be treated as a valid application for New Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By completing and returning your personalised Entitlement and Acceptance Form with Application Monies or making a payment by BPAY®, you will also be deemed to have

acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you are an Eligible Shareholder and are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Entitlement Offer;
- (b) you acknowledge that the New Shares and New Options have not been and will not be, registered under the US Securities Act or under the laws of any other jurisdiction outside Australia, New Zealand, Singapore and Hong Kong; and
- (c) you have not and will not send any materials relating to the Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States.

4. Purpose and Effect of the Offer on the Company

4.1 Purpose

The purpose of the Entitlement Offer is to raise up to \$3,924,790 (excluding costs of the Offers and monies that may be received by the Company if New Options are exercised).

No funds will be raised from the issue of New Options.

4.2 Use of funds

The table below sets out the Company's proposed use of funds, having regard to the Company's existing cash reserves and the funds to be raised, based on a maximum possible raising of \$3,924,790:

Funds Available	Maximum amount raised under the Offers (\$)
Existing Cash Reserves ¹	12,230,037
Proceeds of the Offers	3,924,790
Total	16,154,827
Allocation of funds (\$)	
Authier Project expenditure	12,000,000
Tansim and Mallina lithium projects expenditure	1,000,000
Offer expenses ²	370,000
Working Capital	2,784,827
Total	16,154,827

Notes

1 This amount is the total cash at 18 April 2018 as recorded in the Company's pro forma accounts - see Section 4.4.

2 For further details of the expenses of the Offers, refer to Section 7.17.

The above is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to materially affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis and otherwise, having regard to their fiduciary duties.

4.3 Summary of the effect of the Offers

The principal effects of the Offers will be to:

- (a) increase the number of Shares on issue from 1,693,046,728 as at the date of this Prospectus to a maximum of 1,770,003,397 Shares;
- (b) increase the number of Options on issue from nil to a maximum of 147,478,335 Options; and
- (c) increase the estimated cash available to the Company by up to \$3,924,790 (before costs of the Offers).

4.4 Historical and Pro Forma Financial Information

(a) Introduction

This Section sets out the Company's historical and pro-forma financial information.

The financial information has been prepared by management and adopted by the Board. The Board is responsible for the inclusion of all financial information in the Prospectus.

The historical and pro-forma financial information has been prepared in accordance with the measurement and recognition criteria of Australian Accounting Standards. The historical and pro-forma financial information comprises financial information of the Company. The historical and pro-forma financial information is presented in an abbreviated form insofar as it does not include all the disclosures and notes required in an annual financial report prepared in accordance with Australian Accounting Standards and the Corporations Act.

(b) Pro-Forma Financial Information

SAYONA MINING LIMITED

Pro-Forma Statement of Financial Positions					
	31 Dec 2017	Pro forma 31 March 2018	Placement April 2018	Current Raising	Pro-forma
	\$	\$	\$	\$	\$
CURRENT ASSETS					
Cash and cash equivalents	3,452,109	1,881,727	10,348,310	3,554,684	15,784,721
Trade and other receivables	101,010	164,989	-	-	164,989
Other assets	239,528	258,105	-	-	258,105
Total Current Assets	3,792,647	2,304,821	10,348,310	3,554,684	16,207,815
NON-CURRENT ASSETS					
Property, plant and equipment	6,670	6,602	-	-	6,602
Exploration and evaluation asset	9,400,002	10,838,232	-	-	10,838,232
Total Non-Current Assets	9,406,672	10,844,834	-	-	10,844,834
TOTAL ASSETS	13,199,319	13,149,655	10,348,310	3,554,684	27,052,650
CURRENT LIABILITIES					
Trade and other payables	539,572	1,160,549	-	-	1,160,549
Provisions	46,798	43,232	-	-	43,232
Total Current Liabilities	586,370	1,203,781	-	-	1,203,781
TOTAL LIABILITIES	586,370	1,203,781	-	-	1,203,781

NET ASSETS	12,612,949	11,945,875	10,348,310	3,554,684	25,848,869
EQUITY					
Issued capital	67,943,090	67,943,090	10,348,310	3,554,684	81,846,084
Reserves	19,563	(214,231)	-	-	(214,231)
Accumulated losses	(55,349,704)	(55,782,984)	-	-	(55,782,984)
TOTAL EQUITY	12,612,949	11,945,874	10,348,310	3,554,684	25,848,869

4.5 Effect of the Offer on the Company's Capital Structure on completion of the Offer

The capital structure of the Company, following completion of the Offers, is expected to be as follows:

Shares*	Number
Balance at the date of this Prospectus	1,693,046,728
To be issued pursuant to the Entitlement Offer (and Shortfall 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 Prospectus	Nil
To be issued under the Entitlement Offer (and Shortfall Offer)	38,478,335
To be issued under the Placement Options Offer	109,000,000
Total Options on issue at close of the Offer	147,478,335

*Note: The tables assume full subscription under the Entitlement Offer

4.6 Effect of the Offer on control of the Company

(a) Shareholders

If Shareholders do not participate in the Entitlement Offer, their holdings of Shares are likely to be diluted by up to 4.55% (as compared with their holdings and number of Shares on issue as at the date of this Prospectus). Examples of how the dilution may impact Shareholders, are set out below:

Scenarios if Entitlements are not taken up and are taken up by others as Shortfall Securities:

Holder	Holding as at Record date	% at Record Date	Entitlements - Shares	Holdings if Entitlement not taken Up	% post Offers
Shareholder 1	10,000,000	0.59%	454,545	10,000,000	0.56%
Shareholder 2	5,000,000	0.30%	227,273	5,000,000	0.28%
Shareholder 3	1,500,000	0.09%	68,182	1,500,000	0.08%
Shareholder 4	400,000	0.02%	18,182	400,000	0.02%
Shareholder 5	50,000	0.00%	2,273	50,000	0.00%

5. Risk Factors

The New Shares offered under the Prospectus are considered speculative.

An investment in the Company is not risk free and the Directors strongly urge potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult with their professional advisers before deciding whether to apply for New Shares pursuant to this Prospectus.

Prior to deciding whether to participate in the Offer, investors should read the entire Prospectus and review announcements made by the Company to ASX (at www.asx.com.au under the code **SYA**), in order to gain an appreciation of the Company, its activities, operations, financial position, risks and prospects.

Securities do not carry any guarantee with respect to the payment of any dividends, returns of capital or the market value of those securities.

There are specific risks which relate directly to the Company's business. In addition, there are general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the New Shares.

The following is a not intended to be an exhaustive list of the risk factors to which the Company is exposed.

5.1 Company and industry risks

(a) Future capital needs and additional funding

Whilst the Entitlement Offer will position the Company well, the Company will likely require further financing in addition to amounts raised under the Entitlement Offer.

Any additional equity financing may dilute existing shareholdings. Debt financing, if available, may involve restrictions on financing and operating activities.

There can be no assurance that the Company will be able to obtain additional financing when required in the future, or that the terms and time frames associated with such financing will be acceptable to the Company. This may have an adverse effect on the Company's ability to achieve its strategic goals and have a negative effect on the Company's financial results, liquidity position and the value of the Company's Shares.

(b) Dilution

Eligible Shareholders should be aware that to the extent that they do not accept their Entitlements in full, a Shortfall will arise and all or part of any Shortfall may be taken up by other Shareholders under the Shortfall Offer or placed by the Company to other parties, in which case their interest in the Company may be diluted.

Further, the Entitlement Offer is not being extended to Ineligible Shareholders and the holdings of Ineligible Shareholders will be diluted by the Entitlement Offer. Given the terms of the Entitlement Offer, the interests of a Shareholder in the Company may be diluted by up to 4.55% in the event that they are not eligible to participate or elect not to accept their Entitlement in full.

Acceptance of Entitlements or the placement of any Shortfall may also result in existing Shareholders or new investors increasing their interest in the Company. However, the Shortfall will only be placed to the extent that such placement is in compliance with the takeover provisions of the Corporations Act, which restrict a person and their associates from having a relevant interest in the Company exceeding 19.99%, subject to limited exceptions.

The Company intends to actively work to place any Shortfall.

(c) Exploration risk

By its nature, the business of exploration is a highly speculative endeavour and involves significant risks. The Company's performance depends on the successful exploration and/or acquisition of resources or reserves, competent operational management and efficient financial management. The Company undertakes sampling, geophysics and drilling programs, and the outcomes of these programs will dictate the future performance of the Company. Further, the nature of exploration can sometimes result in industrial accidents and other incidents beyond the control of the Company.

There can be no assurances that the Company's exploration programs will result in the discovery of a significant mineral target. Even if a significant target is identified, there is no guarantee that it will be viable for economic exploitation.

Ultimate success depends on the discovery and delineation of economically recoverable mineral resources and reserves establishment of efficient exploration operations, obtaining necessary titles and access to projects, as well as government and other regulatory approvals.

The exploration and mining activities of the Company may be affected by a number of factors, including but not limited to geological conditions, seasonal weather patterns, technical difficulties and failures, continued availability of the necessary technical equipment, plant and appropriately skilled and experienced technicians, adverse changes in government policy or legislation and access to the required level of funding.

(d) Feasibility and Development Risks

Given the stage of the Company's projects, there will be a complex, multidisciplinary process to be undertaken to complete a feasibility study to support any development proposal. There is a risk that the feasibility study and associated technical works will not achieve the results expected. There is also a risk that even if a positive feasibility study is produced, the relevant project may not be successfully developed for commercial or financial reasons.

(e) Resource and reserve estimates

Resource and reserve estimates are inherently prone to variability. They involve expressions of judgement with regard to the presence and quality of mineralisation and the ability to extract and process the mineralisation economically. These judgments are based on a variety of matters such as drilling results, past experience, knowledge and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations and reduce the estimated amount of mineral resources and ore reserves available for production and expansion plans.

(f) Risk that an Environmental Impact Assessment will be required

The Quebec national assembly has amended the Environment Quality Act (**EQA**), which applies to the Company's projects in Quebec. The EQA now grants the Quebec government the power, in exceptional circumstances, to designate a project that is not specifically listed by regulation as being subject to the environmental impact assessment and review procedure, when the government is of the view that the project presents major climate change issues, or raises major environmental risks and that public concerns with respect to such risks justify a review. There is a risk that the Quebec government may exercise this power to require an environmental impact assessment in relation to the Company's Authier or other Quebec projects, which will result in a significant increase in development costs and material delay in development of the affected projects.

(g) Future approvals risk

The Company has all relevant approvals to conduct its current operations. Prior to commencement of any future operations for which the Company requires higher tenure, the Company will need to obtain the relevant approvals for such higher tenure. There is no assurance that such approvals will be received or that the conditions within the approvals will not be overly onerous. The potential incidence and impact of those factors cannot be accurately predicted and conditions imposed on approvals may impede the operation or development of a project and even render it uneconomic.

(h) Permitting risk

Interests in mining tenements in Australia and Canada are governed by legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and has annual expenditure and reporting commitments, together with other conditions requiring compliance. While the Company has good title to its tenements, the Company could lose its title to or its interest in one or more of the tenements in which it has an interest if licence conditions are not met or if there are insufficient funds available to meet the minimum expenditure commitments.

The Company's mining tenements, and other tenements in which the Company may acquire an interest, will be subject to renewal, which is usually at the discretion of the relevant authority. If a tenement is not renewed the Company may lose the opportunity to discover mineralisation and develop that tenement.

The Company cannot guarantee that any tenements in which it has an interest will be renewed beyond their current expiry date, and there is a material risk that, in the event the Company is unable to renew any of its tenements beyond their current expiry date, all or part of the Company's interests in the corresponding projects may be relinquished.

(i) Native Title, First Nation and Heritage

In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians or Canadian First Nations exist. If native title or First Nation rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant land owner) or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected.

In addition, there may be areas or objects of Aboriginal or Canadian First Nation heritage located on the Company's tenements, or any other tenements that may be acquired by the Company in the future. The Company must ensure that it does not breach the applicable legislation relating to Aboriginal or Canadian First Nation heritage. To ensure that it does not contravene such legislation, it would be prudent for the Company (and it would accord with industry practice and Aboriginal and Canadian First Nation expectations) to conduct heritage surveys to determine if any Aboriginal or Canadian First Nation heritage sites or objects exist within the area of the Company's tenements prior to commencing any activities. Any interference with these sites or objects must be in strict conformity with the provisions of the relevant legislation.

If Aboriginal or First Nation heritage sites or objects do exist the Company may need to enter into agreements with the traditional owners of the sites. The ability of the Company to implement its work programme may be adversely affected in both time and cost.

(j) Ability to exploit successful discoveries

It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploitation will involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as the Company's.

(k) Environmental risks

The minerals and mining industry has become subject to increasing environmental regulations and liability. The potential for liability is an ever present risk.

The operations and proposed activities of the Company are subject to Australian and Canadian laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall, snow or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations will become more onerous, making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

Exploration work will be carried out in a way that has minimal impact on the environment. It may be required for the Company to conduct baseline environmental studies prior to certain exploration or mining activities, so that the environmental impact of the Company's operations can be monitored and minimised wherever possible. The Company is not aware of any endangered species of flora or fauna at this point. Where no baseline studies have been done to date, such a discovery could prevent exploration and mining activity in certain areas.

(l) Commodity prices

Commodities prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include worldwide and regional supply and demand for commodities, general world economic conditions and the outlook for interest rates, inflation and other economic or political factors on both a regional and global basis. These factors may have a negative effect on the Company's exploration, project development and production plans and activities, together with its ability to fund those plans and activities.

(m) Lack of hedging

Currently, the Company does not have any currency hedging arrangements in place, but this may change if the Directors form the view that the cost of such arrangements is appropriate. This means the Company does not currently have measures in place to soften the adverse effect of currency movements.

(n) Joint ventures, contracts and agents

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party to; or the insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or the insolvency or other managerial failure by any of the other service providers used by the Company for any activities. The Company may not be able to meet forecast production, or to complete planned exploration, appraisal and development programmes if there is a failure of these parties.

(o) Operating risk

The operations of the Company may be affected by various factors, including operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown or unanticipated metallurgical problems, which may affect extraction costs; adverse weather conditions (e.g. significant rainfall), delays in construction of tailings dam wall lifts, industrial and environmental accidents, industrial disputes or unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment may have an adverse effect on the operations and production ability of the Company by increasing costs or delaying activities.

The Company's operations will depend on an uninterrupted flow of materials, supplies, equipment, services and finished projects. Due to the geographic location of the Company's projects, it will depend on third parties for the provision of road, port, marine, shipping and other transportation services. Contractual disputes, demurrage charges, classification of commodity inputs and finished products, road and port capacity issues, availability of trucks and vessels, weather conditions, labour disruptions or other factors may have an adverse impact on the Company's ability to transport materials according to schedules and contractual commitments. If these circumstances arise, they may adversely affect the

Company's business, results of operations, financial performance and the value of its Shares.

(p) Competition

The Company competes with other companies. Some of these companies have greater financial and other resources than the Company and as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company will be able to compete effectively with these companies. The technologies directly associated with the use of the Company's mineral resources compete with other technologies that may provide the same utility by using other materials. The marketability of the Company's mineral resources may be adversely impacted by technological obsolescence.

(q) Acquisition and investment risks

The Company may seek potential acquisitions and investments to complement its existing exploration assets. Whilst the Company will undertake thorough due diligence on any acquisitions or investments, there are risks associated with acquisitions or investments which may not be fully mitigated. Furthermore, any acquisition or investment may require the Company to raise additional capital, which may be dilutive for existing Shareholders.

(r) Geotechnical risk

Geotechnical risks arise from the movement of the ground during and following mining activity. This may result in temporary or permanent access to a mine being cut off. The loss of access may have a significant impact on the economics of the ore body. Additionally, significant additional costs may result from designing and constructing alternative access drives which will also impact the economics of the mining operation, potentially making the mine uneconomic. Assessment of the extent and magnitude of ground movements that could take place or that have taken place within the mine and surrounding area will be evaluated by the Company.

(s) Occupational health & safety

The exploration and mining industry has become subject to increasing occupational health and safety responsibility and liability. The Company may become liable for past and current conduct which violates such laws and regulations, which may be amended by the relevant authorities. Penalties for breaching health and safety laws can be significant and include criminal penalties. Victims of workplace accidents may also commence civil proceedings against the Company. These events might not be insured by the Company or may be uninsurable. In addition, any changes in health and safety laws and regulations may increase compliance costs for the Company. Such an event would negatively impact the financial results of the Company.

(t) Key personnel

The ability of the Company to achieve its objectives depends on the retention of key personnel who provide technical expertise. If the Company cannot secure external technical expertise (for example to carry out drilling) or if the services of the present technical panel cease to become available to the Company, this may affect the Company's ability to achieve its objectives either fully or within the timeframes and the budget the Company has decided upon.

Whilst the ability of the Company to achieve its objectives may be affected by the matters mentioned above, the Directors believe that appropriately skilled and experienced professionals will be available to provide services to the Company at market levels of remuneration in the event key external contractors cease to be available.

(u) Country risk

The Company has projects located outside Australia, subject to political, economic, legal and social risk that is different from Australia. There can be no assurance that the systems of government and the political systems in overseas countries will remain stable. Further, there can be no assurance that government regulations relating to foreign investment, repatriation of foreign currency, taxation and the mining industry in these countries will not be amended or replaced in the future to the detriment of the Company's business and/or projects.

The activities related to the Company's Canadian projects are governed by Canadian law. The Directors consider that the Canadian government supports the development of natural resources by foreign investors. However, there is no assurance that future political and economic conditions in Canada will not result in the Canadian government adopting different policies regarding foreign development and ownership of mineral resources. Any changes in policy may result in legislative changes affecting ownership of assets, taxation, rates of exchange, environmental protection, labour relations, repatriation of income and return on capital, all of which may affect the Company's ability to develop the Company's Canadian projects.

Any potential future Canadian operations of the Company are subject to a number of risks, including: potential difficulties in enforcing agreements and collecting receivables through foreign local systems, potential difficulties in protecting rights and interests in assets, increases in costs for transportation and shipping, and restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes. Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

(v) Dividends Policy

The Directors are unable to say if and when the Company will be able to pay dividends. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of profit, operating results, the financial position of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurances in relation to the payment of dividends, or the franking credits attached to such dividends, can be given.

(w) Litigation

The Company may be subject to litigation and other claims. Any litigation could result in negative publicity, potential liability and additional expenditure.

5.2 General Investment risks

The risks outlined below are some of the general risks that may affect an investment in the Company.

(a) Securities investments and share market conditions

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for exploration and mining companies, may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return on any investment in the Company.

(b) Liquidity risk

The market for the Company's Shares may be illiquid. As a consequence, investors may be unable to readily exit or realise their investment.

(c) Economic risk

Changes in economic and business conditions or government policies in Australia or internationally may affect the fundamentals of the Company's target markets or its cost structure and profitability. Adverse changes in the level of inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory policies), consumer spending, and employment rates, are outside the control of the Company and the management team and may have an adverse effect on the financial performance and/or financial position of the Company.

(d) Changes in laws and government policy

Changes to government regulations, law (including taxation and royalties) and policies, both domestically and internationally, under which the Company operates may adversely impact the Company's activities, planned projects and the financial performance of the Company.

(e) Taxation

There may be tax implications arising from Applications for New Shares, the receipt of dividends (both franked and unfranked) (if any) from the Company, the participation in any on-market Share buy-back and on the disposal of New Shares.

(f) Global credit and investment markets

Global credit, commodity and investment market volatility may impact the price at which the Shares trade regardless of operating performance, and affect the Company's ability to raise additional equity and/or debt to achieve its objectives, if required.

(g) Counterparty risk

There is a risk that contracts and other arrangements which the Company is party to and obtains a benefit from, will not be performed by the relevant counterparties if those counterparties become insolvent or are otherwise unable to perform their obligations.

The Company and its projects may suffer material adverse consequences such as increased costs, delayed projects, loss of market share, or loss of customers.

(h) Insurance Risks

Exploration for and development of minerals involves hazards and risks that could result in the Company incurring losses or liabilities that could arise from its operations. If the Company incurs losses or liabilities which are not covered by its insurance policies, the funds available for exploration and development will be reduced and the value and/or title to the Company's assets may be at risk. The Company insures its operations in accordance with industry practice. However in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance against all risks associated with mining exploration and production is not always available and, where available, the costs can be prohibitive or not adequate to cover all claims.

(i) Unforeseen Expenditure Risk

Expenditure may need to be incurred that has not been considered in this Prospectus. Although the Company is not aware of any such additional Expenditure requirements, if such expenditure is subsequently incurred this may adversely affect the expenditure proposals and activities of the Company, as the Company may be required to reduce the scope of its operations and scale back its exploration programmes. This could have a material adverse effect on the Company's activities and the value of its Shares.

5.3 List not exhaustive

The above list of risk factors should not to be taken as exhaustive of the risks faced by the Company or by Shareholders. The above factors and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under this Prospectus. Accordingly, the New Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns, returns of capital or market value at any time.

Shareholders should consider that investment in the Company is highly speculative and should consult their professional advisers before deciding whether to take up their Entitlement.

6. Rights and Liabilities attaching to the New Shares and New Options

6.1 New Shares

Full details of the rights and liabilities attaching to the New Shares, which rank equally with all other existing Shares, are:

- (a) detailed in the Company's Constitution a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- (b) in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights attaching to New Shares being offered under this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice. Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered address.

(a) Share capital

Subject to the Constitution:

- (i) all matters relating to the issue of shares shall be under the control of the Directors who may issue, allot or otherwise dispose of the same to such person or persons on such terms and conditions and with such rights and privileges attached and at such times as the Directors may think fit; and
- (ii) the Directors may issue new Shares with or without any special conditions, preferences or priority either as to dividends or capital or both with any other special rights or advantages. In the absence of any special conditions or rights, such new Shares when issued shall be held upon the same conditions as if they had been ordinary shares in the original capital, and shall be subject to the provisions of the Constitution that relate to ordinary shares in the Company.

(b) Voting rights

Subject to the Constitution and to any rights or restrictions attached to any class or classes of Shares, at a general meeting:

- (i) each Shareholder entitled to vote may vote in person or by proxy, representative or attorney;
- (ii) on a show of hands, every Shareholder present has one vote; and
- (iii) on a poll, every Shareholder present has one vote for each Share held by the Shareholder entitling the Shareholder to vote, except for partly paid Shares, each of which confers on a poll only the fraction of one vote which the amount paid (not credited) bears to the total amounts paid or payable (excluding amounts credited) on the Share. An amount paid in advance of a call is disregarded for this purpose.

(c) General meetings

Shareholders are entitled to receive written notice of and attend and vote at general meetings of the Company. Annual general meetings of the Company are held in accordance with the Corporations Act.

(d) Dividend rights

Subject to the Corporations Act, the Company's profits which the Directors determine to distribute by way of dividends are divisible amongst the holders of Shares in proportion to the amounts paid (excluding any amount paid or credited as paid in advance of a call) on the Shares at the date of declaration of the dividend.

(e) Transfer of Shares

Generally, all Shares are freely transferable subject to the procedural requirements of the Constitution and to the provisions of the Corporations Act, Listing Rules and ASX Settlement and Transfer Corporation Pty Limited (**ASTC**) Settlement Rules. If, when permitted to do so, the Directors refuse to register a transfer of Shares, the Company must give notice of the refusal and the precise reasons for such action within 5 business days after the date on which the transfer was lodged by the Company.

(f) Winding-up

Subject to the rights of holders of Shares issued on special terms and conditions, on a winding up of the Company, the liquidator, with the sanction of a special resolution of the Company, may:

- (i) divide in specie among the contributories of the Company any part of the surplus assets (being those assets of the Company which, upon the winding up of the Company, remain after payment of debts and liabilities of the Company and the costs of winding up); and
- (ii) may vest any part of the surplus assets in trustees on such trusts for the benefit of the contributories or any of them as the liquidator shall think fit.

(g) Variation of rights

At present, the Company only has ordinary shares on issue and has no current plans to create further classes of Shares. The rights and restrictions attaching to a class of the Company's Shares shall not at any time, be varied without:

- (i) the consent in writing of the holders of 75% of the issued shares of that class; or
- (ii) the sanction of a special resolution passed at a separate meeting of holders of the shares of that class.

(h) Number of Directors

The Constitution provides that the Company may from time to time by resolution at a meeting increase or reduce the number of Directors. Currently, the number of Directors must not be less than 3 or more than 10.

6.2 New Options

The New Options to be issued under the Entitlement Offer and the Placement Options Offer (and outside of this Prospectus to Ineligible Subscribers) have the following terms:

(a) Entitlement

Each New Option entitles the holder to one fully paid ordinary share in the capital of the Company.

(b) Exercise Period

The New Options may be exercised at any time prior to 5.00pm AEST on 30 April 2020 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(c) Exercise Price

The exercise price of the New Options is AUD \$0.078 each (**Exercise Price**).

(d) Listing at discretion of ASX

The New Option will be quoted on ASX, subject to the ASX Listing Rules.

(e) Transferability

The New Options are transferable, subject at all times to the requirements of the Corporations Act, the ASX Listing Rules and any other applicable law or regulation.

(f) Notice of Exercise

To exercise the New Options, each Option holder must duly complete, execute and deliver to the Company an exercise notice in the form notified when the New Options are issued (**Notice of Exercise**). New Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and delivering such notice to the Company Secretary, to be received prior to the Expiry Date. The Notice of Exercise must, among other things, state the number of New Options exercised, the consequent number of Shares to be allotted and the identity of the proposed allottee. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the Exercise Price per Share.

(g) Ranking of Shares upon exercise

All Shares issued upon the exercise of the New Options will rank equally in all respects with the Company's then issued Shares. The Company will apply to the ASX for all Shares issued pursuant to the exercise of the New Options to be admitted to quotation.

(h) Pro rata entitlement issues

In the event of a pro rata entitlements issue to the Company's Shareholders, the Exercise Price will be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.

(i) Bonus issues

In the event of a bonus issue, the number of Shares over which a New Option is exercisable will be increased by the number of Shares which the Option holder would have received if the New Option had been exercised before the record date for the bonus issue.

(j) Reorganisation of capital

In the event of any reorganisation of the capital of the Company (including consolidation, subdivisions, reduction or return) the rights of an Option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of the capital at the time of the reorganisation.

(k) Participation in new issues

There are no participating rights or entitlements inherent in the New Options and an Option holder will not be entitled to participate in new issues of capital offered to the Company's Shareholders during the term of the New Option. However, the Company will, in accordance with the ASX Listing Rules, send a notice to the Option holder before the record date of any new issues of capital offered to the Company's Shareholders in order to give the Option holder the opportunity to exercise its New Options prior to the date for determining entitlements to participate in any such issue.

(l) United States

The New Option may not be exercised by or on behalf of a person in the United States unless the Options and the underlying Shares have been registered under the *United State Securities Act of 1933*, as amended, and applicable state securities laws, or unless exemptions from such registration requirements are available.

7. Additional Information

7.1 Material contracts

Patersons Securities Limited Mandate

The Company entered into a mandate agreement with the Lead Manager under which the Company engaged the Lead Manager to act as joint lead manager of the Placement and lead manager to the Entitlement Offer (**Mandate**).

For its lead management services, the Company has agreed to pay the Lead Manager the following fees:

- (a) Corporate Advisory Fee - on completion of the Entitlement Offer, the Company must pay the Lead Manager \$50,000;
- (b) Lodgement Fee - the Lead Manager is entitled to 6.0% of the gross amount of Entitlements accepted by Shareholders (or where Shortfall Securities are placed, to investors) introduced by the Lead Manager;
- (c) 6% of funds raised by Patersons under the Placement; and
- (d) reimbursement of the Lead Manager's reasonable costs, professional fees and expenses in relation to and incidental to the Placement.

The Mandate is conditional upon satisfactory completion of due diligence investigations by the Lead Manager. The Company understands that the Lead Manager is satisfied with the results of its due diligence enquiries.

The Company has agreed not to offer, sell or market, contract to sell, otherwise dispose of or announce the sale, directly or indirectly, of any Shares or other securities which are convertible into or exchangeable or contain the right to acquire Shares, without the prior written consent of the Lead Manager for a period of three months commencing on the Closing Date.

Further, the Company has agreed to offer the Lead Manager a role in any further equity capital raisings undertaken in connection with the Company within 12 months of completion of the Offers, subject to competitive terms in respect of pricing, fees and timing relative to market practices at that time.

The Mandate also contains a number of indemnities, representations and warranties by the Company that are considered standard for an agreement of this type.

7.2 Disclosing entity

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the period from lodgement of the Company's annual financial statements for the financial year ended 30 June 2017 to the issue of this Prospectus, which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the securities market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report of the Company for the financial year ended 30 June 2017 (**Annual Report**), being the last financial report for a financial year of the Company lodged with the ASIC before the issue of this Prospectus;
 - (ii) the half-year financial report lodged with the ASIC by the Company on 16 March 2018; and
 - (iii) any continuous disclosure notices given by the Company after the lodgement of the Annual Report and before the lodgement of this Prospectus.

Copies of all documents lodged with the ASIC in relation to the Company can be obtained free of charge from the Company's registered office during normal office hours. The Company has lodged the following announcements with ASX since its 2017 Annual Report filed on 17 October 2017:

Date	Headline
03/05/2018	Management Changes
02/05/2018	Capital Raise Update
30/04/2018	Quarterly Activities Report
30/04/2018	Quarterly Cashflow Report
24/04/2018	Cleansing Notice
24/04/2018	Appendix 3B - Placement
18/04/2018	Reinstatement to Trading
18/04/2018	Capital Raise to Advance Authier Lithium Project Development
18/04/2018	Voluntary Suspension Request
18/04/2018	Voluntary Suspension
16/04/2018	Trading Halt
13/04/2018	Authier Project Presentation to Key Stakeholders & Permitting

Date	Headline
13/04/2018	Authier Pilot Metallurgy Program Update
12/04/2018	Authier Lithium Project JORC Mineral Resource Expansion
10/04/2018	Phase 3 Drilling - Potential Increase JORC Resource Reserve
22/03/2018	Strengthening the Authier Development Team
21/03/2018	Geophysics Confirm Targets for Identifying New Pegmatites
16/03/2018	Half Yearly Report and Accounts
15/03/2018	Presentation Energy and Battery Minerals Investor Conference
22/02/2018	Presentation RIU Explorers Conference
15/02/2018	Authier Metallurgical Pilot Program Commences
14/02/2018	Investor Presentation
31/01/2018	Quarterly Activities Report
31/01/2018	Quarterly Cashflow Report
23/01/2018	Option to Acquire Tansim Lithium Project in Quebec
15/01/2018	Authier Phase 3 Drilling Program Targets Resource Expansion
11/01/2018	Shareholder Update
02/01/2018	Cleansing Statement
02/01/2018	Appendix 3B
28/12/2017	Appendix 3B
21/12/2017	Mallina Option Payment Facilitates New Phase of Exploration
20/12/2017	Authier Phase 3 Drilling Update
20/12/2017	Research Report by Independent Investment Research
12/12/2017	Investor Presentation
12/12/2017	Authier Definitive Feasibility Study Update
11/12/2017	Authier Optimised PFS- Definitive Feasibility Study Underway
11/12/2017	Authier JORC Ore Reserves Expanded
11/12/2017	Authier Lithium Project JORC Mineral Resource Upgrade
11/12/2017	Change of Director's Interest Notice
30/11/2017	Further Positive Metallurgical Results at Authier
27/11/2017	Appendix 3B
17/11/2017	Results of Meeting
14/11/2017	Presentation International Lithium, Graphite & Cobalt Conf
13/11/2017	Change of Director's Interest Notice X4
13/11/2017	Authier Phase 3 Drilling Commences
10/11/2017	Appendix 3B
10/11/2017	KZR: applies for another Highly Prospective Pilbara Tenement
09/11/2017	Strategic Alliance to Advance Authier Development and Value
08/11/2017	Permits Lodged For a New Phase of Drilling at Authier
07/11/2017	Renounceable Rights Issue Shortfall Notice
31/10/2017	Quarterly Activities Report
31/10/2017	Quarterly Cashflow Report

Date	Headline
26/10/2017	Exploration To Commence Over Deep Well Conglomerate Targets
24/10/2017	Progress Update - Authier Environmental Studies & Permitting
19/10/2017	New Spodumene Pegmatites and Conglomerate Targets Identified
18/10/2017	Change of registry address notification
17/10/2017	Notice of Annual General Meeting/Proxy Form

ASX maintains files containing publicly available information from all listed companies. The Company's file is available for inspection at ASX during business hours.

7.3 Market prices of existing Shares on ASX

The highest and lowest market sale price of the Company's Shares during the 3 months immediately preceding the lodgement of this Prospectus with the ASIC and the last market sale price on the date before the lodgement date of this Prospectus, are set out below.

Price	\$0.072	\$0.046	\$0.047
Date	15/02/2018	05/02/2018	03/05/2018
Price	\$0.072	\$0.046	\$0.047

7.4 No prospective financial forecasts

The Directors have considered the matters outlined in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings, because the proposed future operations of the Company do not have an operating history from which reliable forecasts can be made. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Notwithstanding the above, this Prospectus includes, or may include, forward looking statements including, without limitation, forward looking statements regarding the Company's financial position, business strategy and plans and objectives for its business and future operations (including development plans and objectives), which have been based on the Company's current expectations. These forward-looking statements are, however, subject to known and unknown risks, uncertainties and assumptions that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward looking statements are based on numerous assumptions regarding the Company's present and future business strategies and environment in which the Company will operate in the future.

Matters not yet known to the Company or not currently considered material to the Company may impact on these forward looking statements. These statements reflect views held only as at the date of this Prospectus. In light of these risks, uncertainties and assumptions, the forward-looking statements in this Prospectus might not occur. Investors are therefore cautioned not to place undue reliance on these statements.

7.5 Cleansing of New Options issued to Ineligible Subscribers

This Prospectus serves to facilitate the secondary trading of New Options offered under the Placement to Ineligible Subscribers, which are not offered under this Prospectus.

New Options issued under the Placement were issued to sophisticated investors and other investors who were exempt from disclosure under section 708 of the Corporations Act or its equivalent in other jurisdictions.

Section 708A(11) of the Corporations Act provides an exemption from the general requirement for prospectus disclosure in section 707(3) of the Corporations Act, where:

- (a) *the relevant securities are in a class of securities of the company that are quoted securities of the body; and*
- (b) *a prospectus is lodged with ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; and*
- (c) *the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.*

The offer of New Options to Eligible Shareholders and Eligible Subscribers under this Prospectus therefore, by virtue of section 708A(11), serves to facilitate secondary trading of New Options issued to Ineligible Subscribers outside of this Prospectus contemporaneously with the offer of New Options under the Offers.

The New Options offered under this Prospectus to Eligible Shareholders and Eligible Subscribers and New Options contemporaneously offered outside of this Prospectus to Ineligible Subscribers all have the same terms and conditions of issue and the Company will seek their quotation on ASX as a single class of Options.

7.6 Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the acceptance and, if the application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related body corporates, agents, contractors and third party service providers, including mailing houses and professional advisors, and to ASX and regulatory authorities.

If an Applicant becomes a Shareholder, the Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there, even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person, subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

7.7 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

7.8 Subsequent Events

There has not arisen, at the date of this Prospectus any item, transaction or event of a material or unusual nature not already disclosed on ASX or in this Prospectus which is likely, in the opinion of the Directors of the Company to affect substantially:

- (a) the operations of the Company;
- (b) the results of those operations; or
- (c) the state of affairs of the Company.

7.9 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the securities offered under this Prospectus.

7.10 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings of a material nature and the Directors are not aware of any other legal proceedings pending or threatened against the Company.

7.11 Expiry Date

No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

7.12 Substantial Shareholders

The particulars of the Company's substantial Shareholders are set out below (as at the date of this Prospectus):

Shareholder	Holding	Voting Power	Entitlement New Shares	Entitlement New Options
Citicorp Nominees Pty Limited	94,048,089	5.55	4,274,913	2,137,457
P Point Pty Ltd <AB Super Fund A/C> ¹	93,638,166	5.53	4,256,280	2,128,140
Terryjoy Pty Ltd <T & J Smith Super Fund A/C>	92,755,813	5.48	4,216,173	2,108,087
Cropanly Pty Ltd <Two Endeavour Super A/C> ²	92,118,883	5.44	4,187,222	2,093,611

1. Entity related to Mr Allan Charles Buckler

2. Entity related to Mr Paul Anthony Crawford

7.13 Directors' interests

As at the date of this Prospectus the Directors (directly or through entities controlled by them) have a relevant interest in securities of the Company and Entitlements as set out below:

Director	Shares	Voting Power	Entitlement - New Shares	Entitlement - New Options	Intentions re Entitlement
Mr Paul Anthony Crawford	96,901,236	5.72%	4,404,602	2,202,301	Accept Entitlement for between 1,000,000 and 2,000,000 New Shares
Mr Allan Charles Buckler	95,963,747	5.67%	4,361,989	2,180,994	Accept Entitlement for between 1,000,000 and 2,000,000 New Shares
Mr Dennis Charles O'Neill	86,593,477	5.11%	3,936,067	1,968,034	Accept Entitlement for between 1,000,000 and full Entitlement
Mr James Stuart Brown	3,048,876	0.18%	138,585	69,293	Accept Entitlement in full

7.14 Remuneration of Directors

The maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by Shareholders at a general meeting. Fees for non-executive Directors are not linked to the performance of the economic entity.

Information regarding the remuneration received by Directors for the preceding two financial years can be found in the Annual Report.

The Company has entered into indemnity, insurance and access deeds with each of the Directors (**Deeds**). Under the Deeds, the Company agrees to indemnify each of the Directors to the extent permitted by the Corporations Act against certain liabilities incurred by the Directors whilst acting as an officer of the Company and to insure each Director against certain risks to which they are exposed as officers of the Company. The Deeds also grant each Director a right of access to certain records of the Company for legitimate purposes for a period of up to 7 years after the Director ceases to be an officer of the Company. The Deeds were entered into as part consideration for the Directors agreeing to hold office as directors of the Company.

Directors are also entitled to be reimbursed for reasonable expenses incurred by them in providing their services to the Company. Non-executive directors are entitled to payment in addition to their director's fee if they undertake work in addition to their services as non-executive directors. Payment for such additional work will be at agreed market rates.

The Company also pays premiums to insure all of the Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in their capacity as a Director of the Company.

The following table shows the annual remuneration paid to both executive and non-executive Directors inclusive of superannuation for the past financial year ended 30 June 2017. The salary and fee amounts are not anticipated to change for the financial year ending on 30 June 2018.

Director	Total Financial Year ending 30 June 2017 (\$)	Super-annuation	Salary and Fees	Share based payments
Mr Paul Anthony Crawford	120,000	-	120,000	-
Mr Dennis Charles O'Neill	120,000	10,411	109,589	-
Mr Allan Charles Buckler	60,000	-	60,000	-
Mr James Stuart Brown	67,500	-	67,500	-

7.15 No other Directors' interests

Other than as set out above or elsewhere in this Prospectus, no Director or proposed Director holds at the date of this Prospectus, or held at any time during the last 2 years before the date of lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person:

- (d) to a Director or proposed Director to induce him or her to become, or to qualify as, a Director; or
- (e) for services provided by a Director or proposed Director in connection with the formation or promotion of the Company or the Offers.

7.16 Interests of promoters and named persons

Except as disclosed in this Prospectus, no other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (c) the Offers.

Colin Biggers & Paisley Lawyers has advised the Company in relation to aspects of the Offers. CBP Lawyers will receive fees of approximately \$30,000 in connection with this Prospectus. Some additional fees at standard hourly rates may be payable, in addition.

7.17 Expenses of the Offers

The total expenses of the Offers are estimated to be a maximum of \$370,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

Item	\$
ASIC fees	2,400
ASX	12,100
Lead Manager - Management Fee	285,500 ¹
Legal fees	30,000
Share registry, printing, mailing and other	40,000
Total	370,000

1) The Lead Manager's fee depends on the number of Shareholders introduced by the Lead Manager - see Section 7.1.

7.18 Consents

Each of the persons referred to in this section:

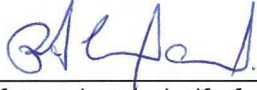
- (a) has given and has not, before the date of lodgement of this Prospectus with ASIC withdrawn their written consent:
 - (i) to be named in the Prospectus in the form and context which it is named; and
 - (ii) where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Prospectus;
- (b) has not caused or authorised the issue of this Prospectus;
- (c) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below;
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding and takes no responsibility for, any part of this Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

Name	Role
Colin Biggers & Paisley Lawyers	Lawyers to the Company in respect of the Offers
Patersons Securities Ltd	Lead Manager
Nexia Brisbane Audit Pty Ltd	Auditor for the Company
Computershare Investor Services Pty Limited	Share Registry

8. Directors' Responsibility and Consent

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Dated: 4 MAY 2018



Signed for and on behalf of
Sayona Mining Limited by
Paul Crawford, Executive Director and Company Secretary

9. Corporate Directory

Directors
Paul Anthony Crawford (Executive Director) Dennis Charles O'Neill (Managing Director) Allan Charles Buckler (Non-Executive Director) James Stuart Brown (Non-Executive Director)
Company Secretary
Paul Anthony Crawford
Registered Office
Unit 68, 283 Given Terrace, Paddington QLD 4064
Lead Manager
Patersons Securities Limited Level 23, Exchange Tower, 2 The Esplanade Perth WA 6000
Lawyers to the Company
Colin Biggers & Paisley Level 35, 1 Eagle Street, Brisbane QLD 4000
Auditors
Nexia Brisbane Audit Pty Ltd Level 28, 10 Eagle Street, Brisbane QLD 4001
Share Registry
Computershare Investor Services Pty Limited 117 Victoria Street, West End QLD 4101
Contact Details
Web: www.sayonamining.com.au/ Email: info@sayonamining.com.au Telephone: 07 3369 7058 Facsimile: 07 3300 9213
ASX Code: SYA

10. Glossary

Where the following terms are used in this Prospectus they have the following meanings:

A\$ or \$	Australian dollars unless otherwise stated.
Acceptance	An acceptance of Entitlements.
AEST	Australian Eastern Standard Time.
Applicant	An Eligible Shareholder who has applied to subscribe for New Shares by submitting an Entitlement and Acceptance Form or arranging for payment through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.
Application	The submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies or arranging for payment of the relevant Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.
Application Monies	The aggregate amount payable for the New Shares (and any Shortfall Securities) applied for in a duly completed Entitlement and Acceptance Form or through BPAY®, calculated as the Issue Price of the New Shares multiplied by the number of New Shares applied for.
ASIC	The Australian Securities & Investments Commission.
ASX	ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.
ASX Settlement	ASX Settlement Pty Ltd ACN 008 504 532.
Board	The board of Directors.
CHESS	The Clearing House Electronic Sub Register System, an automated transfer and settlement system for transactions in securities quoted on the ASX under which transfers are effected in paperless form.
Closing Date	5.00pm AEST on 24 May 2018 or an amended time as set by the Board.
Company	Sayona Mining Limited ACN 091 951 978.
Constitution	The constitution of the Company.
Corporations Act	The Corporations Act 2001 (Cth).
Director	A director of the Company.
Eligible Shareholder	A Shareholder on the Record Date who has a registered address in Australia, New Zealand, Singapore or Hong Kong or is a Shareholder that the Company has otherwise determined is eligible to participate.
Eligible Subscriber	A person who subscribed for Shares and attaching New Options under the Placement who had a registered address in Australia, New Zealand, Singapore or Hong Kong (or another address approved by the Company) at the time of the Placement.
Entitlement	The entitlement to subscribe for New Shares and New Options pursuant to the Entitlement Offer.

Entitlement and Acceptance Form	The entitlement and acceptance form accompanying this Prospectus.
Entitlement Offer	The pro rata renounceable offer to Eligible Shareholders to subscribe for 1 New Share for every 22 Shares of which the Shareholder is the registered holder on the Record Date, with 1 attaching free New Option for every 2 New Shares issued.
Existing Option	Options issued pursuant to the Placement.
Ineligible Shareholder	A Shareholder (or beneficial holder of Shares) who is a Shareholder on the Record Date with a registered address outside of either Australia, New Zealand, Singapore or Hong Kong.
Ineligible Subscriber	A person who subscribed for Shares and New Options under the Placement, who at the time of the Placement has a registered address outside of Australia, New Zealand, Singapore or Hong Kong or another address approved by the Company for Eligible Subscribers.
Issue Price	\$0.051 per New Share.
Lead Manager	Patersons Securities Limited ACN 008 896 311.
Listing Rules or ASX Listing Rules	The listing rules of ASX.
New Options	Options to be issued as free attaching Options upon the issue of New Shares under the Entitlement Offer or to be issued pursuant to the Placement Options Offer (or alternatively, to Ineligible Subscribers outside of this Prospectus).
New Shares	Shares offered pursuant to the Entitlement Offer and Shortfall Offer.
Offer Period	The period between the date of issue of this Prospectus and Closing Date.
Offers	The offer of New Shares (including Shortfall Securities) and New Options made under this Prospectus.
Official List	The Official List of ASX.
Option	An option to subscribe for and be issued, a Share.
Option Holders	The holders of Options.
Placement	The placement of shares and attaching free options announced by the Company on ASX on 18 April 2018, for the issue of 218,000,000 Shares to raise \$11,118,000 and 109,000,000 Options.
Placement Options Offer	means the offer under this Prospectus of up to 109,000,000 free New Options to Eligible Subscribers, on the basis of 1 free New Option for every 2 Shares subscribed for under the Placement.
Prospectus	This Prospectus and includes the electronic Prospectus.
Record Date	7.00pm (AEST) on 10 May 2018.
Relevant Company	The Company and each of its subsidiaries.
Section	A numbered section of this Prospectus.
Share	A fully paid ordinary share in the Company.

Share Registry	Computershare Investor Services Pty Limited.
Shareholder	The registered holder of Shares in the Company.
Shortfall	Any New Shares (and attaching free New Options) in respect of which the Entitlement Offer has not been accepted.
Shortfall Offer	The offer of New Shares and attaching New Options, attributable to Entitlements not taken up by Eligible Shareholders or those that would have been offered to Ineligible Shareholders if they had been entitled to participate in the Entitlement Offer, under a Shortfall facility to Eligible Shareholders and have exercised their Entitlement in full.
Shortfall Securities	New Shares to be issued pursuant to the Shortfall Offer and attaching New Options.
Subscriber	A person who subscribed for New Shares and attaching free New Options under the Placement.
US Securities Act	The US Securities Act of 1933, as amended.