

ASX ANNOUNCEMENT

ASX: SYA

23 August 2021

SHAREHOLDERS BACK SAYONA WITH OVERSUBSCRIBED SPP

Highlights

- **Share Purchase Plan (SPP) closes significantly oversubscribed, with applications totalling approximately A\$68 million, more than 13 times the initial target of A\$5 million.**
- **Sayona increases size of SPP to A\$20 million to accommodate investor demand, in approach consistent with July's oversubscribed Placement.**
- **Funds raised from the SPP, together with A\$45 million obtained from previous Placement, to facilitate settling of acquisition of North American Lithium (NAL) and advance Abitibi lithium hub.**

Emerging lithium producer Sayona Mining Limited (ASX:SYA; OTC:DMNXF) has received a huge vote of confidence from shareholders, with its Share Purchase Plan announced on 12 July 2021 closing significantly oversubscribed.

The SPP was extremely well supported by shareholders, with the Company receiving applications by the 18 August 2021 deadline totalling approximately A\$68 million, more than 13 times the targeted A\$5 million.

Under the SPP, each Eligible Shareholder was entitled to subscribe for up to A\$30,000 of new fully paid ordinary shares in the Company at the issue price of A\$0.075 per share, subject to scale back. The SPP forms part of the capital raising as announced on 12 July 2021, which also comprised a Placement to institutional and sophisticated investors raising A\$45 million, also at A\$0.075 per share.

In recognition of the strong show of support by shareholders for the Company's expansion strategy, the Board has resolved to use its discretion to accept oversubscriptions, increasing the SPP to A\$20 million.

Sayona's Managing Director, Brett Lynch said the support shown by shareholders followed the successful Placement, with both being oversubscribed due to strong investor demand.

"We are delighted by the enormous vote of confidence we have received from shareholders, who have shown their support for our growth strategy by their significant investment in our Company," Mr Lynch said.

"Similar to the Placement, we have unfortunately been required to scale back applications and we have adopted a consistent approach to both.

"These funds will be invaluable in advancing our Abitibi lithium hub, including closing the acquisition of NAL and preparing for the next steps in our development into a world-scale lithium producer in North America."

Scaling Information

As the value of valid applications exceeded the revised offer amount, valid applications will be scaled back on a pro rata basis having regard to the relative shareholding of eligible shareholders as at the record date of 9 July 2021.

Eligible shareholders will receive either a minimum allocation of 6,667 shares, or a proportionate allocation based on their Record Date balance and valid application monies received (up to a maximum allocation of 400,000 shares (\$30,000)). Where possible, eligible shareholders have been allocated approximately 25% of their Record Date balance.

Shareholders should note that applications received pursuant to the Placement also required scaling back.

Refund Process

Payments of refunds for scaled back applications, together with late and invalid applications, are expected to occur on 27 August 2021. To expedite the refund process, shareholders are encouraged to provide their nominated bank account details. If shareholders need to update or provide their nominated bank account details this can be done online at www.computershare.com.au/easyupdate/sya.

Shareholder can also use this link to update their communications preference to receive future correspondence by email, rather than post.

Any changes to nominated bank account details need to be completed by 5.00pm (AEST), 25 August 2021. If you do not provide your nominated bank account details your refund will be received via cheque.

If you do not have internet access to update your bank account details or if you have any other enquiries about the SPP, please call Computershare Investor Services Pty Limited, from 8.30am to 5.00pm (AEST) Monday to Friday on 1300 552 270 (within Australia) or +61 3 9415 4000 (outside of Australia). It is expected that the SPP shares will be issued on Wednesday, 25 August 2021.

This announcement is authorised by Sayona's Board of Directors.

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About Sayona Mining

Sayona Mining Limited is an emerging lithium miner (ASX:SYA; OTC:DMNXF), with projects in Québec, Canada and Western Australia. In Québec, Sayona's assets comprise the Authier Lithium Project and its emerging Tansim Lithium Project, supported by a strategic partnership with American lithium developer Piedmont Lithium Inc. (Nasdaq:PLL; ASX:PLL). Sayona and Piedmont have also successfully undertaken a joint bid to acquire North American Lithium, which hosts a former lithium mine and concentrator.

In Western Australia, the Company holds a large tenement portfolio in the Pilbara region prospective for gold and lithium. Sayona is exploring for Hemi-style gold targets in the world-class Pilbara region, while its lithium projects are subject to an earn-in agreement with Altura Mining Limited.

For more information, please visit us at www.sayonamining.com.au