

ASX ANNOUNCEMENT

ASX: SYA

7 March 2023

Not for release to US wire services or distribution in the United States

C\$50M RAISING TO ADVANCE QUÉBEC LITHIUM PROJECTS

Highlights

- A\$54.9 million flow-through-shares (FTS) raising to advance Sayona's Québec lithium projects.
- FTS to be placed at A\$0.315 per share, representing a 34% premium to Sayona's last closing price and a 41% premium to the 10 day VWAP.
- Funds to facilitate further exploration and resource drilling at the Company's lithium projects in Québec, as Sayona advances leading hard rock lithium resource base in North America.

Emerging lithium producer Sayona Mining Limited (ASX:SYA; OTCQB:SYAXF) has entered into a subscription agreement with PearTree Securities Inc for the issuance of 174,459,177 shares at a price of A\$0.315 per share for aggregate gross proceeds of A\$54.9 million using the FTS provisions under Canadian tax law (**Placement**). Use of the FTS provisions significantly minimises dilution of issued capital.

The funding will help advance exploration efforts while the Company continues to progress the restart of its North American Lithium (NAL) operation, together with Sayona's other growth projects in Québec, including its emerging northern lithium hub.

Sayona is well placed to progress its expanding lithium resource base, with this additional funding adding to its financial resources.

Sayona's Managing Director, Brett Lynch commented: "Sayona has made significant progress in developing the leading hard rock lithium resource base in North America, with the pending restart of production at NAL set to mark our progression from explorer to producer.

"This funding will provide an added boost to our expansion plans, with the FTS provisions allowing us to raise capital at a premium to the current share price, thereby minimising dilution for the benefit of our shareholders."

Flow-Through Share Raise Details

The Company has entered into a subscription agreement with PearTree Securities Inc for approximately C\$50,000,000 (A\$54,954,640 before costs) through the issue of approximately 174,459,177 shares at an issue price of C\$0.2866 (A\$0.315).

The gross proceeds received by the company will be used to incur Canadian exploration expenses (CEE) that qualify as “flow-through critical mineral mining expenditures” as such term is defined in the Income Tax Act (Canada) by December 31, 2024. Funds raised will be applied to exploration and drilling at Sayona’s Québec assets including expedited follow-up drilling at priority targets, prospecting, gravity, stripping and channel sampling and CEE eligible staffing expenses.

The new shares will be issued under the Company’s existing placement capacity under ASX Listing Rule 7.1. Settlement of the Placement is expected to occur on Thursday, 9 March 2023 and the new shares will rank equally with the Company’s existing shares on issue. A cleansing prospectus under section 713 of the Corporations Act 2001 (Cth) will be issued in connection with the transaction.

Jett Capital Advisors LLC acted as adviser to Sayona and the FTS Placement has been facilitated by Canadian flow-through share dealer, PearTree Securities Inc.

Effect on Capital Structure

Assuming the FTS Placement is completed as contemplated by this announcement, the Company’s capital structure will be as follows:

Class	Shares	Options
Securities on issue at date of this announcement	8,695,214,295	266,066,971
Shares to be issued pursuant to the FTS Placement	174,459,177	-
Total on completion of the FTS Placement	8,869,673,472	266,066,971

Issued on behalf of the Board.

For more information, please contact:

Brett Lynch

Managing Director

Email: info@sayonamining.com.au

For investor/media queries, contact:

Anthony Fensom, Republic PR

Ph: +61 (0)407 112 623

Email: anthony@republicpr.com.au

About Sayona Mining

Sayona Mining Limited is an emerging lithium producer (ASX:SYA; OTCQB:SYAXF), with projects in Québec, Canada and Western Australia.

In Québec, Sayona's assets comprise North American Lithium together with 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). The Company also holds a 60% stake in the Moblan Lithium Project in northern Québec.

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 a Joint Venture with Morella Corporation (ASX:1MC).

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

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.