

24 January 2022

Lodgement of Prospectus

Morella Corporation Limited (**ASX: 1MC** “Morella” or “the Company”) is pleased to advise that the Company has today lodged the attached Prospectus with the ASIC.

This Prospectus has been prepared for the purposes of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date without disclosure under Part 6D of the Corporations Act and to allow the Shares that are issued on exercise of the Canaccord Options to be on-sold without disclosure in accordance with ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80.

The Offers are only available to those persons who are personally invited by the Company to accept the Offers.

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This announcement has been authorised for release by the Board of Morella Corporation Limited.

About Morella Corporation Limited Morella is an exploration and resource development company focused on lithium and battery minerals. Morella is currently engaged in exploration activities on two project opportunities, strategically located, in Tier 1 mining jurisdictions in both Australia and the United States of America. Morella will secure and develop raw materials to support the surging demand for battery minerals, critical in enabling the global transition to green energy.



**MORELLA CORPORATION LIMITED
ACN 093 391 774**

PROSPECTUS

For the offer of:

- (a) 1,000 New Shares at an issue price of \$0.035 per New Share (**Cleansing Offer**); and
- (b) 150,000,000 Canaccord Options (**Options Offer**),

(together, the **Offers**).

This Prospectus has been prepared for the purposes of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date without disclosure under Part 6D of the Corporations Act and to allow the Shares that are issued on exercise of the Canaccord Options to be on-sold without disclosure in accordance with ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80.

Important Notice

This document is important and should be read in its entirety (including the 'Risk Factors' in section 4) before deciding whether to apply for New Shares or Canaccord Options. If, after reading this Prospectus, you have any questions about the New Shares or Canaccord Options being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The New Shares and Canaccord Options offered by this Prospectus should be considered speculative.

IMPORTANT NOTES

This Prospectus is dated 24 January 2022 and a copy of this Prospectus was lodged with ASIC on that date. ASIC, ASX and its officers, respectively, take no 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. The Company will apply to ASX for the New Shares to be granted quotation on ASX.

Neither of the Offers are available to the general public. The Offers are only available to those persons who are personally invited by the Company to accept the Offers. The Company will provide an Offer Application Form to those persons only.

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. Applications for securities offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore, persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply

with these restrictions constitutes a violation of those laws.

Applicants should rely on their own knowledge of the Company, refer to disclosures made by the Company to the ASX and consult their professional advisers before deciding whether to accept the Offers. Announcements made by the Company to ASX are available from the ASX website at <http://www.asx.com.au/>. The information in this Prospectus does not constitute a securities recommendation or financial product advice.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

This Prospectus, including each of the documents attached to it and which form part of this Prospectus, is important and should be read in its entirety prior to making an investment decision. If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser.

In particular, it is important that you consider the risk factors in section 4 that could affect the performance of the Company before making an investment decision.

Some words and expressions used in this Prospectus have defined meanings which are explained in section 6.

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1. DETAILS OF THE OFFERS

1.1 Purpose of the Offers

On 21 January 2022, the Company announced the Share Issue.

Further, as previously disclosed by the Company, Canaccord Genuity (Australia) Limited (**Canaccord**) was appointed as corporate adviser to the Company for the Company's December 2021 Entitlement Offer. As part of that appointment and in accordance with the Corporate Adviser Mandate between the Company and Canaccord, the Company agreed to issue 150,000,000 Options, in three tranches, to Canaccord as consideration for the services provided.

The Share Issue and Option issue, were conducted under the Company's existing placement capacity pursuant to Listing Rule 7.1.

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months of the date of their issue.

Section 708A(11) of the Corporations Act provides an exemption from this general requirement where:

- (a) the relevant securities are in a class of securities of the company that are already quoted on ASX;
- (b) a prospectus is lodged with ASIC either:
 - (i) on or after the day on which the relevant securities were issued; or
 - (ii) before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for offers of securities issued by the company that are in the same class of securities as the relevant securities.

The purpose of this Prospectus and the Offers is to:

- (a) comply with section 708A(11) of the Corporations Act so that the holders of Shares issued without disclosure (including those under the Share Issue) can, if they choose to, sell those Shares within the next 12 months without disclosure; and
- (b) in accordance with ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80, to allow the holders of Shares issued upon exercise of the Canaccord Options the ability to sell those Shares within the next 12 months without disclosure.

The under the Share Issue, and any issue of Shares pursuant to the exercise of the Canaccord Options, was not undertaken by the Company with the purpose of selling or transferring. However, the Directors consider that the holders should be able to sell the Placement Shares and any issue of Shares pursuant to the exercise of the Canaccord Options, without the need for disclosure under Part 6D.2 of the Corporations Act.

1.2 Details of the Cleansing Offer

The Company offers for subscription 1,000 New Shares at an issue price of \$0.035 per New Share under this Prospectus. The Offer is being extended to unrelated persons who are invited by the Company to subscribe for Shares and is not open to the general public.

Any funds raised from the Cleansing Offer will be applied towards the expenses of the Offers.

The New Shares offered under this Prospectus will rank equally with the Shares on issue. A summary of the rights and liabilities attaching to the Shares is set out in section 3.1.

1.3 Details of the Options Offer

By this Prospectus, the Company invites the Eligible Participant (or their nominee) to apply for 150,000,000 unlisted Options, through the issue of Options in three tranches, consisting of:

- (a) 50,000,000 Options with an exercise price of \$0.006 per option and expiry date of 3 years from the date of issue (**Tranche 1 Canaccord Option**);
 - (b) 50,000,000 Options with an exercise price of \$0.007 per option and expiry date of 3 years from the date of issue (**Tranche 2 Canaccord Option**); and
 - (c) 50,000,000 Options with an exercise price of \$0.008 per option and expiry date of 3 years from the date of issue (**Tranche 3 Canaccord Option**),
- (the **Canaccord Options**).

The Canaccord Options are issued pursuant to the terms of the Corporate Adviser Mandate as consideration for the services to be performed by Canaccord.

Only the Eligible Participant (or their nominee) may apply for the Canaccord Options under the Options Offer and the Company will only provide an application form to the Eligible Participant (or their nominee).

The Canaccord Options are issued on the terms and conditions set out in section 3.2.

1.4 Minimum Subscription

There is no minimum subscription in respect of the Offers.

1.5 Opening and Closing Dates

The opening date of the Offers will be 24 January 2022 and the Closing Date will be 5pm WST on 28 January 2022. The Directors reserve the right to close the Offers early or extend the Closing Date (as the case may be), should it be considered by them necessary to do so.

1.6 Application, Issue of New Shares and Canaccord Options and Application Money

Only parties invited by the Directors should apply under the Offers.

An Application for New Shares must be made using the Application Form and must follow the procedures advised by the Company to apply for New Shares under the Cleansing Offer.

Applications for the Canaccord Options may only be made by the Eligible Participant (or their nominee) using the Application Form and must follow the procedures advised by the Company to apply for the Canaccord Options under the Options Offer.

The Directors reserve the right to reject any Application for New Shares or application for Canaccord Options or to allocate any applicant fewer New Shares or Canaccord Options than the number applied for as the case may be.

Where the number of New Shares issued is less than the number applied for, the surplus money will be returned by cheque as soon as practicable after the Closing Date. Where no issue is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on money refunded.

All Application Money received before the New Shares are issued will be held in a special purpose account. After any Application Money is refunded (if relevant) and New Shares are issued to applicants, the Company will be entitled to retain the balance of funds plus all interest that accrues on the bank account and each applicant waives any right to claim that interest.

1.7 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Allan Charles Buckler/ Calida Holding Pty Ltd as trustee for the ACB Family A/C	811,845,897	15.81%
Shanshan Forever International Co Limited	451,361,249	8.79%
Mr Maxwell Terry Smith	443,239,925	8.63%

There will be no change to the substantial holders on completion of the Offers.

1.8 Effect of the Offers on the Control of the Company

There will be no effect on control as a result of the Offers.

1.9 Effect on Financial Position of the Company

The maximum the Company will raise under this Prospectus is \$35.00 for the 1,000 New Shares offered. The estimated expenses of the Offers are as set out in section 5.3 of this Prospectus. The immediate financial effect of the Offers will be to decrease cash reserves by an amount equivalent to the estimated expense of the Offers.

The Company will receive:

- (a) \$0.006 for each Tranche 1 Canaccord Option;
- (b) \$0.007 for each Tranche 2 Canaccord Option; and
- (c) \$0.008 for each Tranche 3 Canaccord Option,

that is exercised.

If all the Canaccord Options offered pursuant to this Prospectus are applied for, issued and exercised, the Company will receive approximately \$1,050,000. The likelihood of the Company receiving additional funds through the exercise of the Canaccord Options is dependent on the market price of the Shares from time to time until the Canaccord Options expire.

1.10 ASX Quotation

Application will be made within seven days of the date of issue of this Prospectus for the New Shares to be granted Official Quotation by ASX.

If the New Shares are not quoted by ASX within three months after the date of this Prospectus, the Company will not issue any New Shares and will refund all Application Money in full as soon as practicable, without interest.

The Company will not apply for the quotation of the Canaccord Options. The Company will however apply for Official Quotation of any Shares issued upon exercise of the Canaccord Options in accordance with the terms of those options.

The fact that ASX may agree to grant Official Quotation of the New Shares and any Shares issued on exercise of the Canaccord Options is not to be taken in any way as an indication of the merits of the Company or those Shares.

1.11 Offer Outside Australia

This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offers. No action has been taken to register or qualify the securities or the Offers or otherwise to permit an offering of the securities in any jurisdiction outside Australia.

1.12 Market Prices of Shares on ASX

The Company is an Australian public company that has been listed on the ASX since 8 January 2001. Originally as Altura Mining Limited (ASX: AJM) it changed its name on 13 December 2021 to Morella Corporation Limited (ASX: 1MC)

The Securities of the Company were suspended from trading on the ASX on 12 August 2020 and the suspension was lifted on 14 December 2021.

The highest and lowest market closing sale price of the Shares, which are on the same terms and conditions as the New Shares being offered under this Prospectus since the re-quotations of the Company's securities on ASX is as follows:

	3 months high*	3 months low*	Last Market Sale Price
Share Price	0.038	0.01	0.036
Date	20/1/2022	17/12/2021	21/1/ 2022

* Subsequent to the re-quotations of the Company's securities on 14 December 2021.

1.13 CHESS

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, applicants will not receive a certificate but will receive a statement of their holding of New Shares or Canaccord Options.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of New Shares or Canaccord Options issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Shares or Canaccord Options issued to you under this Prospectus and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their securities holding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

1.14 Taxation Implications

The Directors do not consider that it is appropriate to give advice regarding the taxation consequences of applying for New Shares or Canaccord Options under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of applicants. Applicants should consult their own professional tax adviser in connection with the taxation implications of the Offers.

1.15 Enquiries

Any queries regarding the Offer should be directed to John Lewis, Company Secretary at the Company on (+61) 429 596 535 or at cosec@morellacorp.com.

You can also contact your stockbroker or professional adviser with any queries in relation to the Offers.

2. USE OF FUNDS AND EFFECT OF THE ISSUE

2.1 Use of Funds

The Company intends to use any funds raised from the Cleansing Offer towards offer costs.

2.2 Effect of the Offers on Capital Structure

The effect of the Offers on the Company's capital structure, if the New Shares and Canaccord Options are issued, is as follows:

- (a) that the number of Shares will increase by 1,000 from 5,134,213,986 to 5,134,214,986; and
- (b) the number of Options (listed and unlisted) will increase by 150,000,000 from 223,197,979 to 373,197,979.

The Offers will not have an effect on the Company's other securities on issue.

2.3 Statement of Financial Position

The Company does not consider that the Offers will have a material effect on the financial position of the Company.

3. RIGHTS AND LIABILITIES ATTACHING TO NEW SECURITIES

3.1 Rights attaching to New Shares

The New Shares will rank equally in all respects with all Shares. The rights attaching to the Shares arise from a combination of the Company's Constitution, the Corporations Act, the Listing Rules and general law. A copy of the Company's Constitution is available for inspection free of charge during business hours at its registered office.

The following is a summary of the more significant rights and liabilities attaching to the Shares. 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.

- (i) **(General Meeting)** Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Company's Constitution, the Corporations Act or the ASX Listing Rules.
- (ii) **(Voting)** Subject to any rights or restrictions for the time being attached to any class or classes of shares whether by the terms of their issue, the Constitution, the Corporations Act or the ASX Listing Rules, at a general meeting of the Company every holder of fully paid ordinary shares present in person or by a representative, proxy or attorney has one vote on a show of hands and every such holder present in person or by a representative, proxy or attorney has one vote per Share on a poll. A person who holds an ordinary Share which is not fully paid up is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the share. A member is not entitled to vote unless all calls and other sums presently payable by the member in respect of shares in the Company have been paid. Where there are two or more joint holders of the Share and more than one of them is present at a meeting and tenders a vote in respect of the Share (whether in person or by proxy or attorney), the Company will count only the vote cast by the member whose name appears before the other(s) in the Company's register of members.
- (iii) **(Issues of Further Shares)** The Directors may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Company's Constitution, the ASX Listing Rules, the Corporations Act and any rights for the time being attached to the shares in special classes of shares.
- (iv) **(Variation of Rights)** At present, the Company has on issue one class of shares only, namely ordinary shares. The rights attached to the shares in any class may be altered only by a special resolution of the Company and a special resolution passed at a separate meeting of the holders of the issued shares of the affected class, or

with the written consent of the holders of at least three quarters of the issued shares of the affected class.

- (v) **(Transfer of Shares)** Subject to the Company's Constitution, the Corporations Act, the ASX Settlement Operating Rules and the ASX Listing Rules, ordinary shares are freely transferable. The shares may be transferred by a proper transfer effected in accordance with ASX Settlement Operating Rules, by any other method of transferring or dealing introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by the Directors that is permitted by the Corporations Act.

The Company may decline to register a transfer of shares in the circumstances described in the Company's Constitution and were permitted to do so under the ASX Listing Rules. If the Company declines to register a transfer, the Company must give the lodging party written notice of the refusal and the reasons for refusal. The Directors must decline to register a transfer of shares when required by law, by the ASX Listing Rules or by the ASX Settlement Operating Rules.

- (vi) **(Partly Paid Shares)** The Directors may, subject to compliance with the Company's Constitution, the Corporations Act and the ASX Listing Rules, issue partly paid shares upon which amounts are or may become payable at a future time(s) in satisfaction of all or part of the unpaid issue price.
- (vii) **(Dividends)** Subject to the Corporations Act, the ASX Listing Rules, the Company's Constitution and the rights of any person entitled to shares with special rights to dividend, the Directors may determine that a dividend is payable. The Company in general meeting may declare a dividend if the Directors have recommended a dividend and a dividend shall not exceed the amount recommended by the Directors. The Directors may authorise the payment to the members of such interim dividends as appear to the Directors to be justified by the Company's profits and for that purpose may declare such interim dividends. Subject to the rights of members entitled to shares with special rights as to dividend (if any), all dividends in respect of shares (including ordinary shares) are to be declared and paid proportionally to the amount paid up or credited as paid up on the shares.
- (viii) **(Winding Up)** Subject to the rights of holders of shares with special rights in a winding up, if the Company is wound up, members (including holders of ordinary shares) will be entitled to participate in any surplus assets of the Company in proportion to the shares held by them respectively irrespective of the amount paid up or credited as paid up on the shares.
- (ix) **(Dividend Plans)** The Directors may establish and maintain dividend plans under which (among other things) a member may elect those dividends payable by the Company be reinvested by way of subscription for shares in the Company or a member may elect to forego any dividends that may be payable on all or some of the shares held by that member and to receive instead some other entitlement, including the issue of shares.
- (x) **(Directors)** The Company's Constitution states that the minimum number of Directors is three.
- (xi) **(Powers of the Board)** The Directors have power to manage the business of the Company and may exercise that power to the exclusion of the members, except as otherwise required by the Corporations Act, any other law, the ASX Listing Rules or the Company's Constitution.

3.2 Terms and conditions of the Canaccord Options

The terms and conditions of the Canaccord Options are set out below.

- (a) Each Canaccord Option will entitle the holder to subscribe for one Share.
- (b) Each Canaccord Option will expire at 5.00pm (WST) on 31 January 2025 (**Expiry Date**). An option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

- (c) The Canaccord Options are exercisable in whole or in part, in accordance with the below:
- (i) at a price of A\$0.006 cents per Tranche 1 Canaccord Option;
 - (ii) at a price of A\$0.007 cents per Tranche 2 Canaccord Option; and
 - (iii) at a price of A\$0.008 cents per Tranche 3 Canaccord Option,
- (**Exercise Price**), by completing and delivering a duly completed form of notice in substantially the form prescribed to the registered office of the Company together with the payment of the Exercise Price multiplied by the number of Shares in respect of which the Options are being exercised at the time in immediately available funds for the number of Shares in respect of which the Canaccord Options are exercised.
- (d) All Shares issued upon the exercise of the options will rank equally in all respects with the Company's then existing Shares.
- (e) The Canaccord Options are freely assignable and transferable.
- (f) The Canaccord Options are not to be quoted on ASX and the Company is under no obligation to apply for Official Quotation of the Canaccord Options.
- (g) Application will be made to ASX for Official Quotation by ASX of all Shares allotted pursuant to the exercise of Canaccord Options within the time period required by the Listing Rules after the date of allotment.
- (h) The holders of Canaccord Options may only participate in new issues of securities as holders of Shares if a Canaccord Option has been exercised and Shares have been allotted in respect of the Canaccord Options before the record date for determining entitlements to the issue. The Company must give notice to the holder of the Canaccord Options of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules or any waiver from the Listing Rules provided to the Company by ASX.
- (i) If, from time to time, before the expiry of the Canaccord Options, the Company makes an offer or invitation to at least all Shareholders resident in Australia for the subscription of cash with respect to Shares, options or other securities of the Company on a pro-rata basis (**Rights Issue**), the Options Exercise Price will be reduced as specified in the Listing Rules in relation to pro-rata issues.
- (j) If, from time to time, before the expiry of the options, the Company makes a pro rata issue of Shares (by way of capitalisation of profits or out of its reserves), to at least all Shareholders resident in Australia for no consideration (**Bonus Issue**), the number of Shares over which a Canaccord Option is exercisable will be increased by the number of Shares which the holder would have received if the option had been exercised before the record date for the Bonus Issue (**Bonus Shares**).
- (k) If, prior to the expiry of any Canaccord Options, there is a reconstruction of the issued capital of the Company then, subject to any changes necessary to comply with the Listing Rules;
- (i) the number of Shares to which Canaccord is entitled on exercise of the outstanding Canaccord Options will be reduced or increased in the same proportion as, and the nature of the Shares will be modified to the same extent that, the issued share capital of the Company is modified; and
 - (ii) an appropriate adjustment will be made to the Option Exercise Price for the outstanding Options, with the intent that the total amount payable remains the same.
- (l) Shares allotted and issued pursuant to the exercise of the options will be allotted and issued, and a holding statement provided to the holders of Canaccord Options in respect of those Shares, on the above terms and conditions not more than two business days after the receipt of a duly executed form of notice of exercise and the Exercise Price in immediately available funds in respect of the Canaccord Options exercised.

4. RISK FACTORS

4.1 Overview

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

There are specific risks which relate directly to the business. In addition, there are other 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 Shares.

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

4.2 Company Specific Risks

(a) Land access and tenure

Western Australia

Mining and exploration tenements are subject to periodic renewal. The Tenements are subject to the Mining Act and the regulations made under the Mining Act.

The maintaining of exploration licenses, obtaining renewals, or getting additional exploration or mining licenses granted, often depends on the Company being successful in obtaining the required statutory approvals for its proposed activities and that the licences, concessions, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions (such as increased expenditure and work commitments) will not be imposed in connection with any such renewals. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or the performance of the Company.

Nevada

Interests in mining claims and permits in Nevada are governed by the mining laws of the state and the United States of America (**US**). These interests include unpatented mining claims located and maintained under the US Mining Law of 1972.

Each mining claim and permit is subject to various conditions which must be complied with, including a federal annual mining claim maintenance fee in respect of unpatented mining claims.

The Company will follow the mandated processes under the relevant Nevada and US legislation to ensure continuity of its mining tenure and planned activities. However, the Company could lose title to, or its interest in, the Mining Tenements (or any additional mining claims, permits or other interests acquired by the Company in the future) if the conditions attaching to the claim or permit are not satisfied.

(b) Native title and access risk

Western Australia

The Tenements in which the Company holds, or intends to acquire, an interest extend over areas in which legitimate native title rights of indigenous people exist.

The ability of the Company to gain access to some or all of the Tenements and to conduct exploration development and mining operations remains subject to native title rights and the terms of registered native title agreements.

The right to negotiate process under native title matters can result in significant delays to the implementation of any project or stall it. Negotiated native title agreements may adversely impact on the economics of projects depending on the nature of any commercial terms agreed.

Nevada

Land access is critical for exploration and/or exploitation to proceed. It requires both access to the mineral rights and access to the surface rights. Minerals rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. The Company may not be successful in acquiring or obtaining the necessary licences and permits to conduct exploration or evaluation activities outside of the mineral tenements.

(c) **Offer risk**

If ASX does not admit the New Shares to Official Quotation before the expiration of three months after the date of issue of this Prospectus, or such period as varied by ASIC, the Company will not allot or issue any Shares and will repay all Application Monies for the Shares within the time prescribed under the Corporations Act, without interest.

(d) **Liquidity risk**

There is no guarantee that an active market in the Shares will develop or that the price of the Shares will increase. There may be relatively few buyers or sellers of Shares on the ASX at any particular time, which will adversely affect the liquidity of Shares on ASX.

The price at which the Shares trade on ASX after listing may be higher or lower than the Offer Price and could be subject to fluctuations in response to variations in operating performance and general operations and business, as well as external operating factors which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors.

(e) **Resource estimations**

Estimating the quantity and quality of Mineral Resources is an inherently uncertain process and any Mineral Resources stated in this Prospectus and any Mineral Resources or Ore Reserves that the Company states in the future are and will be estimates and may not prove to be an accurate indication of the quantity and/or grade of mineralisation that the Company has identified or that it will be able to extract, process and sell.

Mineral Resource estimates (including any contained in this Prospectus) are expressions of judgement based on knowledge, experience and industry practice. Mineral Resource estimates are necessarily imprecise and depend to some extent on interpretations and geological assumptions, the application of sampling techniques, estimates of commodity prices, cost assumptions, and statistical inferences which may ultimately prove to have been unreliable.

Mineral Resource estimates are often regularly revised based on actual production experience or new information and are therefore expected to change. Furthermore, should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, the Company's Mineral Resource estimates may have to be adjusted and mining plans, processing and infrastructure may have to be altered in a way that might adversely affect the Company's operations. Moreover, a decline in the price of Lithium, increases in production costs, decreases in recovery rates or changes in applicable laws and regulations, including environment, permitting, title or tax regulations, that are adverse to the Company, may mean the volumes of mineralisation that the

Company can feasibly extract may be significantly lower than the Mineral Resource estimates indicated in this Prospectus.

If it is determined that mining of certain of the Company's Mineral Resources or any Ore Reserves derived from them have become uneconomic, this may ultimately lead to a reduction in the quantity of the Company's aggregate Mineral Resources being mined, or result in the Company deciding not to proceed with the projects.

If the Company's actual Mineral Resources are less than previous estimates, its prospects, value, business, results of operations and financial condition may be materially adversely affected.

(f) **Limited exploration on the Projects**

Although there have been various phases of exploration across the Tenements that comprise the Projects held by the Company, the prospects on which the Company are focusing are in the early stages of exploration and do not contain any resources that are consistent with the current JORC Code guidelines. Further evaluation of data and exploration is required to determine whether any historical mineralisation estimates within the licences may be upgraded to be consistent with the current JORC Code guidelines.

(g) **Exploration and evaluation risks**

The mineral licenses of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration activities conducted on these exploration licenses, or any other licenses that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its exploration licenses and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the exploration licenses, a reduction in the cash reserves of the Company and possible relinquishment of the exploration licenses.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(h) **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 exploration would involve obtaining the necessary licences or clearances from the 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 exploration may require participation of other companies whose interests and objectives may not align or be the same as the Company's.

(i) **Counterparty risks**

As in any contractual relationship, the ability of the Company to maintain its interests in the Projects is dependent upon the Company's ability to comply with its obligations, and each of the joint venture partners complying with its contractual obligations under the respective joint venture agreements. If a joint venture partner defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy which may be costly and ultimately may not be granted on appropriate terms, if at all.

(j) **Development risks and costs**

If the Company makes a decision to proceed with developing the Projects to the production stage, the process of developing and constructing the mine will be subject to additional risks, including those set out in this section.

While the Company would make a decision to proceed to production only after completing feasibility studies, which will be prepared with a higher level of detailed investigation and therefore a higher degree of assumed accuracy than the work completed to date, there will remain a risk that economic and technical estimates and assumptions will prove to be inaccurate, and unforeseen factors will result in outcomes that are materially less favourable than those estimated or assumed in the feasibility study.

There are many uncertainties that are inherent in developing a mining project, including:

- (i) the availability of capital to finance feasibility studies, construction and development activities;
- (ii) the timing and cost of constructing mining and processing facilities and related infrastructure;
- (iii) the availability and cost of skilled labour, power, water and transport; and
- (iv) the need to obtain necessary governmental permits and the timing of those permits.

As with any mining project, the Company may experience unexpected problems and delays during development, construction and mine start-up. Even if mining commences, there is a risk that the geology of the mines will be more complex than the Company's geological investigations have indicated, and that the ore extracted will be lower grade or have different metallurgy than anticipated, which may increase mining costs, increase processing costs or result in lower recoveries.

(k) **Operating risks**

The Company may be subject to the risks involved in the establishment of a new mining operation if the Company decides to develop its mineral assets. There is no assurance that can be given to the level of viability that the Company's operations may achieve. Lower than expected productivity and technical difficulties and late delivery of materials and equipment could have an adverse impact on any future construction and commissioning schedules. No assurance can be given that the intended production schedules will be met or that the estimated operating cash costs and development costs will be accurate.

Further, the operations of the Company, if production commences, may have to be shut down or may otherwise be disrupted by a variety of risks and hazards which are beyond the control of the Company, including environmental hazards, industrial accidents, technical failures, labour disputes, weather conditions, fire, explosions and other accidents at the mine, processing plant or related facilities beyond the control of the Company. The occurrence of any of the risks and hazards could also result in damage to, or destruction of, amongst other things, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently maintains insurance within ranges of coverage consistent with industry practice, no assurance can be given

that the Company will be able to obtain such insurance coverage at reasonable rates (or at all, or that any coverage it obtains will be adequate and available to cover any such claims).

(l) **Environmental risk**

The Company is subject to a number of laws and regulations to minimise the environmental impact of any operations as well as rehabilitation of any areas affected by the Company's operations. These laws can be costly to operate under and can change further adversely affecting the Company. No assurance can be given that current or future requirements under environmental laws will not result in the cessation of exploration or production activities, the curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Company's financial condition, results of operations or prospects. Penalties for failure to adhere to the laws or in the event of environmental damage the penalties and remediation costs can be substantive.

The Company may require approval from relevant authorities before it can undertake activities that may impact the environment. Failure to obtain such approvals may prevent the Company from achieving its business objectives. The Company intends to conduct itself, and manage any joint venturers so that their activities are conducted in an environmentally responsible manner and in accordance with all applicable laws. Despite this, the Company may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.

(m) **Future capital requirements**

At the date of this Prospectus, the Company has no income producing assets.

The Company will apply the proceeds of the Offer towards the expenses of the Offer. Funds raised under the Offer will not be sufficient for expenditure expected to be required for any development of the Projects, including the works required to commence production at the Projects.

Accordingly, the Company expects to raise additional funds in the future for working capital and in order to finance its projected capital expenditure at the Projects, potentially by raising debt and/or equity. However, if these funding alternatives do not eventuate or are insufficient the Company may need to raise additional equity. Any additional equity financing may be dilutive to Shareholders, and debt financing (including lease financing of equipment), if available, may involve restrictions on financing and operating activities.

There is no assurance that the Company will be able to obtain or access additional funding when required, or that the terms associated with that funding will be acceptable to the Company.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities, financial condition and its ability to continue as a going concern or its ability to pay its debts as and when they fall due. Also, no guarantee or assurance can be given as to whether the Projects can be developed to the stage where it will generate positive cashflow or the timing of this development.

(n) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of or significant investments in companies, products, technologies or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies or resource projects.

(o) **Risk of adverse publicity**

The Projects which the Company aims to develop involves exploration and ore processing within the relevant local communities. Any failure to adequately manage community expectations with respect to compensation for land access, artisanal

mining activity, employment opportunities, impact on local business and any other expectations may lead to local dissatisfaction. The political and social pressures resulting from local dissatisfaction and adverse publicity could lead to delays in approval of, and increased expenses in the Company's proposed exploration programme.

(p) **Reliance on key personnel**

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

(q) **Insurance and uninsured risks**

The Company, where economically feasible, may insure its operations in accordance with industry practice. However, even if insurance is taken out, 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 of all risks associated with mineral exploration and production is not always available and, where available, the costs can be prohibitive.

(r) **Fluctuations in commodity prices and exchange rate risks**

The price of Lithium and other minerals fluctuates widely and is affected by numerous factors beyond the control of the Company such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market value of Lithium could cause the continued development of, and eventually the commercial production from, the Company's projects and the Company's other properties to be rendered uneconomic. Depending on the price of Lithium the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even if commercial quantities of Lithium are produced, a profitable market will exist for it.

In addition to adversely affecting the reserve estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

(s) **Inherent mining risks**

The Company's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of mineral deposits involves significant risks, including environmental hazards; industrial accidents; metallurgical and other processing problems; unusual or unexpected rock formations; structure cave-in or slides; flooding; fires and interruption due to inclement or hazardous weather conditions. These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties, personal injury or death, environmental damage, delays in mining, increased production costs, monetary losses and possible legal liability.

Whether income will result from projects undergoing exploration and development programs depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency and reliability of ore grades and commodity prices affect successful project development.

(t) **COVID-19**

In December 2019, a strain of coronavirus (COVID-19) was identified in Wuhan, China. On 11 March 2020, the World Health Organisation declared COVID-19 a pandemic. The outbreak of COVID-19 has resulted in the implementation of governmental measures, including closures, quarantines and travel bans, intended to control the spread of the virus.

The COVID-19 pandemic may prevent the Company, and other business partners, from conducting business activities for periods of time, including due to shutdowns that may be mandated by governmental authorities. Such measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

Further, the outbreak of COVID-19 is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19.

The Directors are monitoring the situation and have considered the impact of COVID-19 on the Company's business and financial performance.

4.3 General risks

(a) **Economic**

General economic conditions, introduction of tax reform, new legislation, movements in interest rates, inflation and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) **Management of risk**

There is a risk that management of the Company will not be able to implement the Company's growth strategy after completion of the Offer. The capacity of the management to properly implement and manage the strategic direction of the Company may affect the Company's financial performance.

(c) **Competition risk**

The industry in which the Company will be involved is subject to global competition. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

Share market conditions may affect the value of the Company's quoted Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) commodity price fluctuations;
- (v) changes in investor sentiment toward particular market sectors;
- (vi) the demand for, and supply of, capital; and
- (vii) terrorism and other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(d) **Investment speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. 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 Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

(e) **Force majeure**

The Projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics, pandemics or quarantine restrictions.

5. ADDITIONAL INFORMATION

5.1 Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in section 111 AC 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 continuously 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. The New Shares which will be issued pursuant to this Prospectus are in the same class as Shares that have been quoted on the official list of the ASX during the 12 months prior to the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus, and options over such continuously quoted securities. In general terms, "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of the New Shares and Canaccord Options on the Company and the rights attaching to the New Shares and the Canaccord Options. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

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 the 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 12 months before 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 stock 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 most recent annual financial statements of the Company lodged with the ASIC before the issue of this Prospectus;
 - (ii) any half year report of the Company lodged with ASIC after the lodgement of the annual financial report in (i) above and before the lodgement of this Prospectus; and
 - (iii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules, as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company, including as Altura Mining Limited the Company's former name, has lodged the following announcements with ASX since the lodgement of the annual financial report for the financial year ended 30 June 2021:

Date	Description of Announcement
29 October 2021	Notice of 2020 Annual General Meeting/Proxy Form
29 October 2021	Notice of 2021 Annual General Meeting/Proxy Form
29 October 2021	Letter to Shareholders - Annual General Meeting
29 October 2021	Quarterly Activities Report and Cashflow
2 November 2021	Rights Issue Update
11 November 2021	Corporate Update
12 November 2021	Pro-rata Non-Renounceable Entitlement
12 November 2021	Rights Issue Prospectus
12 November 2021	Proposed issue of securities - AJM
12 November 2021	Jobkeeper Payments Notice
12 November 2021	Proposed issue of securities - AJM
18 November 2021	Investor Presentation
30 November 2021	Results of 2020 and 2021 Annual General Meetings
2 December 2021	Entitlement Offer closes significantly oversubscribed

Date	Description of Announcement
2 December 2021	Update - Proposed issue of securities - AJM
3 December 2021	Update - Proposed issue of securities - AJM
6 December 2021	Proposed issue of securities - AJM
7 December 2021	Application for quotation of securities - AJM
7 December 2021	Application for quotation of securities - AJM
7 December 2021	Notification of cessation of securities - AJM
7 December 2021	Application for quotation of securities - AJM
8 December 2021	Update - Proposed issue of securities - AJM
8 December 2021	Application for quotation of securities - AJM
8 December 2021	Application for quotation of securities - AJM
9 December 2021	Change of Director's Interest Notice
9 December 2021	Change in substantial holding
9 December 2021	Change in substantial holding
10 December 2021	Change of Director's Interest Notice
13 December 2021	Pre-Reinstatement Disclosure
13 December 2021	Distribution Schedule - Shares
13 December 2021	Top 20 Holders List - Shares
13 December 2021	Distribution Schedule - Quoted Options
13 December 2021	Top 20 Holders List - Quoted Options
13 December 2021	Reinstatement to Quotation
13 December 2021	Board Statement - Reinstatement to Quotation
15 December 2021	Fish Lake Valley Lithium Project Update
17 December 2021	Change of Company Name
20 January 2022	Response to ASX Price Query
21 January 2022	Corporate Update
24 January 2022	Proposed issue of Securities – 1MC

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

5.2 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of New Shares or Canaccord Options pursuant to this Prospectus; or
- (c) the offer of New Shares or Canaccord Options pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or offer of New Shares pursuant to this Prospectus.

Directors' direct and indirect interests in securities of the Company at the date of this Prospectus are:

Director	Shares	Options ¹	Performance Rights
Allan Buckler	811,848,897	58,466,808	N/A
James Brown	59,153,791	385,000	N/A
Dan O'Neill	28,920,004	-	N/A
Beng Teik Kuan	36,570,786	1,000,000	N/A

Notes

1. Options exercisable at \$0.20 expiring on 28 February 2022.

The Directors may be paid such remuneration as is from time to time determined by the Company in general meeting and all travelling, hotel and other expenses properly incurred by them in attending at and returning from meetings of the directors or any committee of the directors or general meetings of the Company or otherwise in connection with the business of the Company. The Directors' remuneration is deemed to accrue from day to day and the remuneration (other than a managing director or other executive director) shall be a fixed sum and not a commission or calculated on a percentage of profits or turnover.

A Director may be paid a fee or other amounts (i.e. non-cash performance incentives such as options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

The Directors' remuneration for the current financial year, is set out in the table below:

Director	Proposed remuneration for year ending 30 June 2022
James Brown	\$420,000
Allan Buckler	\$79,200
Dennis O'Neill	\$79,200
Beng Teik Kuan	\$79,200

5.3 Estimated Expenses of the Offers

The estimated expense of the Offers is approximately \$4,000, including ASIC, ASX and legal costs.

5.4 Litigation

The Company is not currently involved in any material legal proceedings.

5.5 Privacy Act

If you complete an application for New Shares or Canaccord Options, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your New Shares or Canaccord Options in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules. You should note that if you do not provide the information required on the application for New Shares or Canaccord Options, the Company may not be able to accept or process your application.

5.6 Directors' Consent

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

Signed on behalf of the Directors pursuant to a resolution of the Board.



James Brown
Managing Director

6. GLOSSARY

A\$, \$ and dollars	Australian dollars, unless otherwise stated.
Application	An application for New Shares pursuant to the Application Form.
Application Form	The application form attached to or accompanying this Prospectus.
Application Money	The money received in respect of an Application.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited (ACN 98 008 624 691) or the market operated by that entity, as the context requires.
ASX Listing Rules	Means the listing rules of the ASX.
ASX Settlement	ASX Settlement Pty Ltd (ACN 49 008 504 532).
ASX Settlement Operating Rules	The settlement rules of ASX Settlement.
Board	The Board of Directors.
Canaccord	Canaccord Genuity (Australia) Limited.
Canaccord Options	The 150,000,000 Options issued to Canaccord as described in section 1.1 of this Prospectus.
CHESS	ASX Clearing House Electronic Sub-register System.
Cleansing Offer	The offer described in section 1.2 of this Prospectus.
Closing Date	5pm WST on 28 January 2022 or such other date as may be determined by the Directors under this Prospectus.
Company	Morella Corporation Limited (ACN 093 391 774).
Constitution	The constitution of the Company, as amended from time to time.
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
Corporate Adviser Mandate	Means the Corporate Adviser Mandate between the Company and Canaccord dated 11 October 2021.
Director	A Director of the Company at the date of this Prospectus and Directors has a corresponding meaning.
Eligible Participant	A person invited by the Company to participate in the Options Offer.
Exercise Price	Has the meaning given to that term in section 3.2(c) of this Prospectus.
Expiry Date	Has the meaning given to that term in section 3.2(b) of this Prospectus.
Listing Rules	The official listing rules of the ASX.
New Share	A Share in the capital of the Company to be issued under this Prospectus.
Offer	Means the Cleansing Offer or the Options Offer, and Offers has a corresponding meaning.

Opening Date	24 January 2022.
Option	An option to acquire a Share.
Options Offer	The offer described in section 1.3 of this Prospectus.
Official Quotation	Official quotation on ASX.
Projects	Means the Mallina Lithium Project and the Fish Lake Valley Lithium Project.
Prospectus	The prospectus constituted by this document.
Securities	Means Shares and Options.
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	The holder of a Share.
Share Issue	The issue of: <ul style="list-style-type: none"> (a) 40,000,000 Shares to Holcombe Ventures LLC for the provision of services associated with North American investment and project generation; and (b) 2,000,000 Shares to the Chief Executive Officer of the Company, Mr Alex Cheeseman (or his nominee), under the Company's Executive Incentive Plan.
Tranche 1 Canaccord Option	Means the 50,000,000 Options exercisable at \$0.006 each.
Tranche 2 Canaccord Option	Means the 50,000,000 Options exercisable at \$0.007 each.
Tranche 3 Canaccord Option	Means the 50,000,000 Options exercisable at \$0.008 each.
WST	Australian Western Standard Time.

CORPORATE DIRECTORY

Directors

James Brown, Managing Director
Allan Buckler, Non-Executive Director
Dennis O'Neill, Non-Executive Director
Beng Teik Kuan, Non-Executive Director

Registered Office

Suite 5, 680 Murray Street
West Perth WA 6005
Telephone: (+61) 429 596 535
Email: info@morellacorp.com
Website: <https://.morellacorp.com>

Company Secretary

John Lewis

Chief Executive Officer

Alex Cheeseman

Share Registry*

Link Market Services Limited
Level 12, QV1 Building
250 St Georges Terrace
Perth WA 6000

Auditor*

PKF Perth
Level 5, 35 Havelock Street
West Perth WA 6005

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.