

10 May 2023

Drilling underway at Mallina Lithium

Drilling commenced with Topdrill Pty Ltd.

Heritage Survey completed with Traditional Owners and appointed Anthropologist

Program of Works approved by Department of Mines Industry Regulation and Safety

Overview

Morella Corporation Limited (ASX: 1MC “Morella” or “the Company”) is pleased to advise it has commenced a 3,000-metre RC drilling program at the Mallina Project in the Pilbara region of Western Australia. Topdrill Pty Ltd was awarded the contract following the completion of environmental, social and governance related workstreams in support of the program.

Morella Managing Director James Brown said:

“Mallina is a central part of Morella’s Pilbara lithium exploration program. This drilling program will allow us to better understand the extent of the known pegmatites and infill areas where we have information gaps. We are looking forward to some exciting results.”

Program of Works

The Company has been formally notified by the Department of Mines, Industry Regulation and Safety that its program of works for utilising ground disturbing equipment had been approved.

The program will consist of up to 40 RC holes amounting to approximately 3,000 metres of drilling (See Figure 1). The drilling comprises both extensional/development drilling based on previous drilling campaigns, as well as the testing of several new targets defined by mapping and surface sampling.

The primary focus of the campaign is to determine the extension of the previously identified high grade pegmatite intercepts.

Previous drilling confirmed the presence of high-grade lithium oxide including one intercept in Hole M22_004_D of 16.4m @ 1.24% Li₂O from 4.6 metres (refer to ASX Release 7 December 2022). Current work will be directed towards testing thickness, direction and dip of this and other known pegmatites at the Mallina project.

Results of this drilling program are expected in the third quarter of 2023.

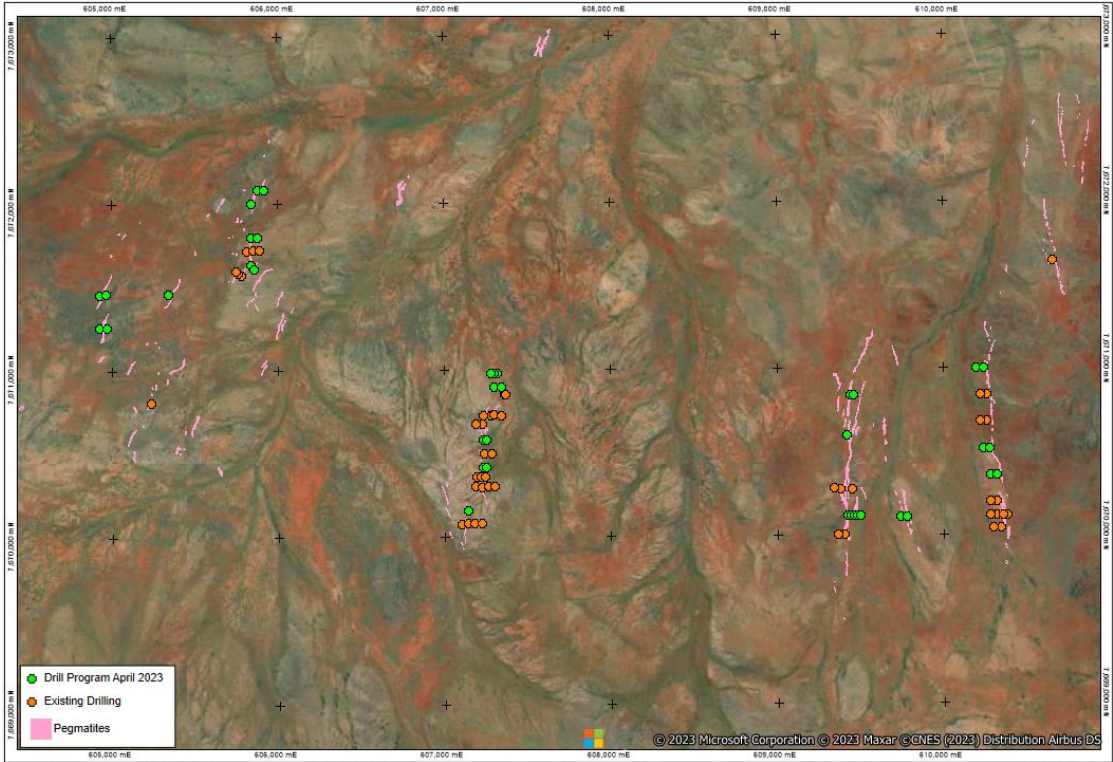


Figure 1 – Drillhole Locations

Heritage Survey

On the 12th of April 2023, Morella conducted a Heritage Survey with the Traditional Owners of select areas in the Mallina tenement and the Heritage Survey was coordinated by Terra Rosa Consulting. Initial reports on the ground were no sites or artefacts of significance were identified. The areas surveyed are shown in Figure 2 below.

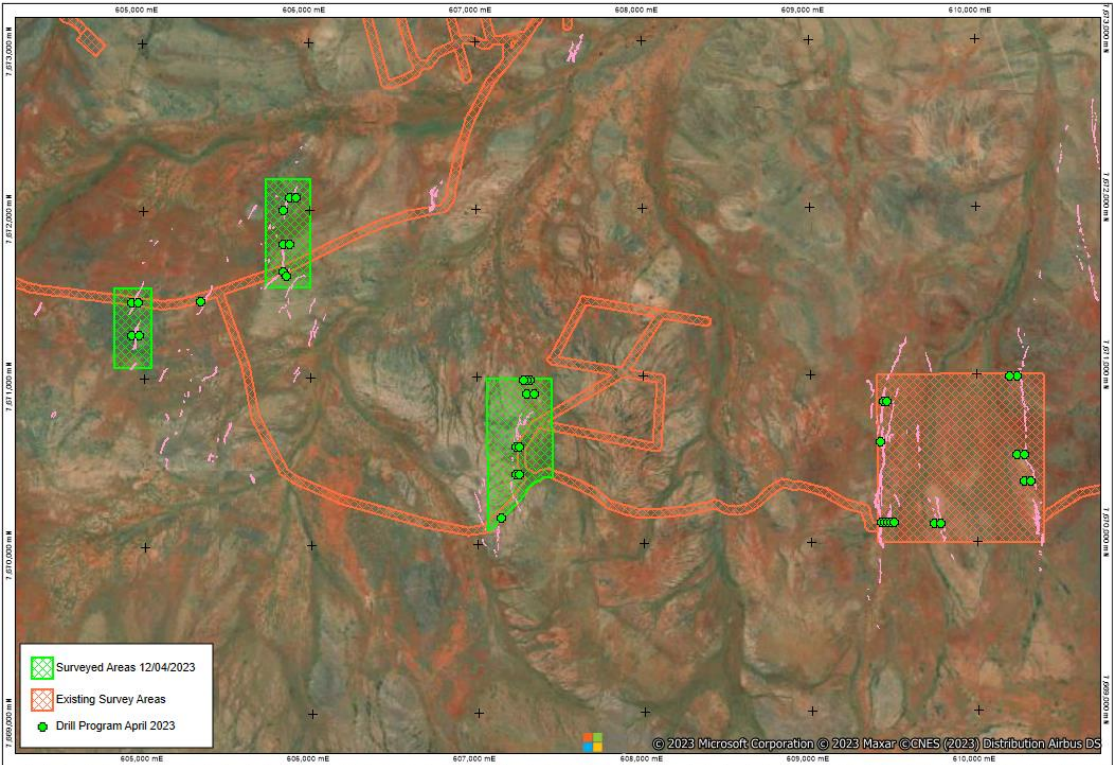


Figure 2 – Heritage Surveyed Areas

Contact for further information

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

About Morella Corporation Limited Morella (ASX:1MC) is an exploration and resource development company focused on lithium and battery minerals. Morella is currently engaged in exploration activities on multiple lithium 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.

Forward Looking Statements and Important Notice This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although Morella believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved where matter lay beyond the control of Morella and its Officers. Forward looking statements may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein.

Competent Person's Statement The information in this report that relates to Exploration Results is based on information compiled by Mr Chris Grove, who is a Member of the Australasian Institute of Mining and Metallurgy and is a Principal Geologist employed by Measured Group Pty Ltd. Mr Chris Grove has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources'. Mr Chris Grove consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.