

17 October 2024

PLACEMENT OF SHORTFALL SHARES

Morella Corporation Limited (ASX: 1MC) ("Morella" or the "Company") is pleased to advise that it has received a binding commitment for the issue of 24,258,333 fully paid ordinary shares (New Shares) at an issue price of \$0.036 per share (\$873,300 in total) under the Shortfall Facility pursuant to the Entitlement Offer announced on 5 August 2024 (Rights Issue).

The New Shares have been placed with Interra Resources Limited (Interra) a Singapore-incorporated company listed on the Singapore Exchange mainboard, who are holding the New Shares on trust for its wholly owned subsidiary, Goldwater Company Limited, a British Virgin Islands incorporated company.

Interra, is engaged in the business of petroleum exploration and production (E&P). Since the appointment of the new Chairman in August 2023, Interra has been actively exploring a variety of new businesses and collaboration opportunities in order to identify suitable new ventures and strategic alliances to meet a new investment profile. These include moving into the areas of renewable energy. Interra views this opportunity as a long-term investment and partnership with Morella whose goals are compatible and synergistic with the Company's venture into the renewable energy sector.

Pursuant to the terms of the Prospectus issued on 5 August 2024 the Company will also issue to Interra 12,129,166 free attaching Options, on a one (1) for two (2) basis, convertible into Shares in the Company on or before 31 August 2026 at an exercise price of \$0.072 each.

Under the Rights Issue completed on 29 August 2024, the Company issued 23,621,178 New Shares (raising a total of \$850,363). The current investment under the Shortfall Facility increases the total funds raised to date for the issue of New Shares to \$1,723,663 with the funds to be directed toward the evaluation of the Company's attractive portfolio of lithium assets.

The New Shares under the Shortfall Facility will be issued on 17 October 2024.

An Appendix 2A in relation to the issue of above new shares and an Appendix 3G in relation to the Options will be given to ASX in compliance with the Corporations Act (2001) and ASX Listing Rules.

The Shortfall Offer is a separate offer made pursuant to the Prospectus and the balance of the Shortfall will remain open for placement for up to 3 months from the Closing Date of the Rights Issue. The issue price and the attaching Option will have the same price and terms as that offered under the Rights Issue.

James Brown Managing Director advised that *"The Board of Morella are pleased to accept Interra's investment and the confidence it shows in Morella and its vision. We look forward to a continuing partnership with Interra going forward. These funds, raised under the Shortfall Offer will go towards the advancement of our current joint venture projects in Western Australia and the North Big Smoky and Fish Lake Valley projects in Nevada USA."*

Contact for further information

[Investors | Shareholders](#)

James Brown

Managing Director

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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.