

16 December 2024

Firm Commitments Received for ~A\$1.4m Placement to Accelerate Exploration Activities

Morella Corporation Limited (ASX: 1MC, “Morella” or the “Company”) is pleased to announce the Company has received firm commitments from institutional, sophisticated and professional investors for the placement of approximately 55 million new fully paid ordinary shares (“New Shares”) at an issue price of A\$0.026 per New Share to raise gross proceeds of approximately A\$1.4 million (“Placement” or “Equity Raising”).

As part of the Equity Raising, the Company’s Board of Directors will subscribe for approximately A\$725,000 in New Shares, which is subject to shareholder approval to be sought at an upcoming Extraordinary General Meeting (“EGM”) expected to be held in February 2025 (“Director Participation”). The Placement pricing represents a 16% discount to the last closing price of Morella shares on the ASX on Wednesday, 11 December 2024.

The Placement comprises two tranches:

- **Tranche 1:** to raise A\$706,600 via the issue of 27,176,923 New Shares utilising the Company’s available placement capacity pursuant to ASX Listing Rule 7.1A.
- **Tranche 2:** to raise A\$724,537 via the issue of 27,866,790 New Shares under the Director Participation which is subject to shareholder approval to be sought at the upcoming EGM expected to be held in February 2025.

Use of Funds

Proceeds from the Placement, together with existing cash will be applied to:

- Exploration activities and advancing the development of future drilling targets across the Company’s projects in Western Australia and Nevada; and
- General working capital.

Morella Managing Director James Brown said:

“The support from new and senior shareholders coupled with the continued support of the Morella board of directors goes a long way to validating the direction of the Company. Morella has an attractive suite of projects with this funding directed toward maintaining positive momentum of these projects.”

Canaccord Genuity (Australia) Limited acted as Lead Manager and Bookrunner to the Placement.

This announcement provides to the ASX the information necessary to lift the Trading Halt on the Company’s securities that was requested on 12 December 2024. The Company is not aware of any reason why the ASX should not reinstate trading on the Company’s securities.

Indicative Placement Timetable*

Event	Date
Release of ASX Announcement and Appendix 3B Trading Halt Lifted	16 December 2024
Settlement of Tranche 1	19 December 2024
Allotment of Tranche 1 New Shares	20 December 2024
General Meeting of Shareholders to approve the issue of the Tranche 2 Shares to the Directors of Morella	February 2025

**The above timetable is indicative only and remains subject to change at Morella's discretion, subject to compliance with the Corporations Act, the ASX Listing Rules and any other applicable laws.*

Contacts 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 is an exploration and resource development company focused on lithium and battery minerals. Morella is currently evaluating several development 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.

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