

29 July 2026

## Quarterly Activities Report & Appendix 5B June 2026

- Commencement of the Company's maiden Rubidium Mineral Resource Estimate following completion of the 2026 Mt Edon drilling program and receipt of final assays.
- Federal Court proceedings continued to progress during the quarter, with further procedural orders made by the Court subsequent to quarter end.
- Shareholders approved the remaining resolutions associated with the A\$2.1 million capital raising, strengthening the Company's balance sheet and funding position.
- Joint Venture interests at Tabba Tabba protected through technical, commercial and legal initiatives, while continuing to pursue constructive coexistence outcomes.

### OVERVIEW

The June 2026 quarter was an important period for Morella, with the Company making strong progress across its portfolio of critical mineral projects in Australia and the United States. During the quarter, our primary focus was advancing the Mt Edon Project while continuing to progress the broader portfolio through disciplined technical evaluation and prudent capital management.

A significant milestone was the completion of assay reporting from the 2026 resource definition drilling program at Mt Edon in Western Australia. The results confirmed broad and continuous rubidium mineralisation across the Sophie Prospect, identified several higher-grade rubidium zones and provided the complete geological dataset required for preparation of the Company's maiden Mineral Resource Estimate (MRE), which is now underway. The drilling has significantly improved our understanding of the continuity, geometry and grade distribution of the mineralised pegmatite system and marks another important step in advancing Mt Edon towards resource definition and future development studies.

Beyond Mt Edon, work continued across the Company's projects in Western Australia and Nevada, with activities focused on progressing priority projects, maintaining tenure, refining exploration targets and evaluating opportunities to strengthen the Company's broader critical minerals portfolio.

The Company also continued to pursue legal proceedings relating to the receivership of the Company in its former name Altura Mining Limited and matters affecting the Tabba Tabba Joint Venture. In addition, the Company continued to pursue its legal rights in relation to competing tenure applications affecting its joint venture interests. Further details are provided in the Legal Proceedings section of this report.

With the MRE now underway and metallurgical work continuing at Mt Edon, the Company enters the September quarter focused on advancing the project through the next stage of technical evaluation while continuing to progress the broader portfolio of critical mineral opportunities.

## WESTERN AUSTRALIA PROJECTS

Morella's Western Australian portfolio comprises a diversified suite of critical mineral projects at various stages of exploration and evaluation. During the June quarter, activities were primarily focused on advancing the Mt Edon Project towards a JORC MRE, while the Company continued to maintain and evaluate its broader exploration portfolio.

### Mt Edon Rubidium-Lithium Project (Western Australia – Morella-Elevra Joint Venture)

The Mt Edon Project is located within the Paynes Find Belt of Western Australia (see Figure 1) and hosts a highly fractionated pegmatite system enriched with rubidium, together with associated lithium, caesium and other critical minerals. The Project comprises several mapped pegmatite bodies, including the Sophie, Miles and June prospects, which form the focus of ongoing exploration and resource evaluation.

Exploration Licence E59/2778, comprising the Mt Edon South area, is held 100% by Morella, with the remaining Mt Edon tenements held under the Morella–Elevra Joint Venture.

Rubidium is classified as a critical mineral by several major economies due to its strategic applications and limited global primary supply. It is primarily used in specialty glass, advanced electronics, fibre-optic systems, atomic clocks and medical imaging technologies.

Mt Edon remained the Company's principal operational focus during the quarter. Activities centred on completing assay reporting and geological interpretation from the March 2026 RC Drilling program, progressing the JORC MRE and continuing the technical evaluation of the project.

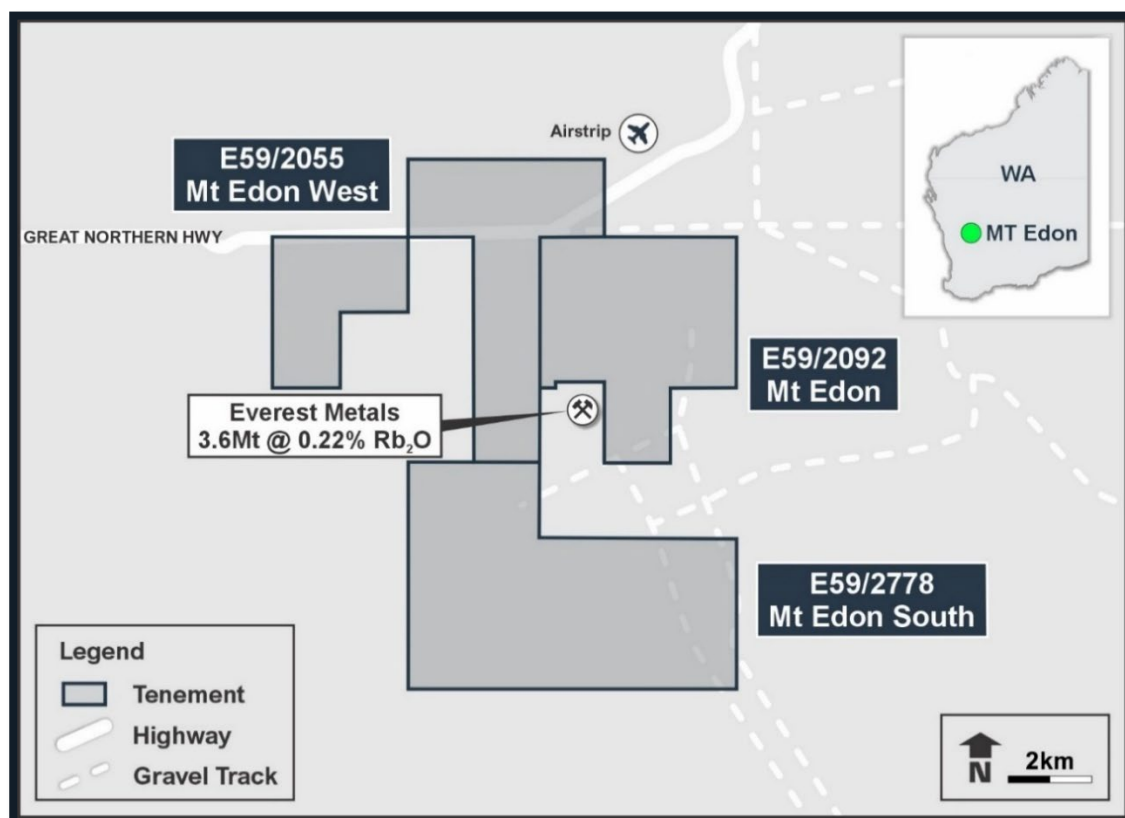


Figure 1: Mt Edon Project location

## Quarter activities:

Activities during the quarter focused on progressing the Mt Edon Project towards its maiden JORC MRE through completion of geological interpretation, commencement of resource modelling and advancement of metallurgical evaluation.

During the quarter, the Company completed interpretation of the March 2026 reverse circulation drilling program following receipt of the remaining analytical results from ALS Global Laboratories. Receipt of the final assay results completed the geological and geochemical dataset for the Sophie Prospect.

Geological logging, assay validation and interpretation were completed to support resource modelling. The integrated geological and geochemical dataset has improved the Company's understanding of the geometry, continuity and distribution of rubidium mineralisation within the Sophie Prospect pegmatite system.

Preparation of the JORC MRE commenced during the quarter, incorporating drilling completed during the 2025 and 2026 exploration programs. Resource modelling is progressing and will continue during the September quarter.

Metallurgical evaluation also progressed during the quarter, with planning continuing for the next phase of testwork in collaboration with Edith Cowan University. The program is designed to further assess potential rubidium recovery pathways and generate data to support future technical and economic studies.

## Drilling Program Results

The completed drilling program confirmed the continuity of rubidium mineralisation across the Sophie Prospect and significantly improved the Company's geological understanding of the mineralised pegmatite system. Results from the final analytical dataset demonstrated that rubidium mineralisation occurs within broad pegmatite intervals containing multiple higher-grade zones.

Drilling across the central portion of the Sophie Prospect consistently intersected broad mineralised pegmatites, confirming the continuity of the mineralised system and supporting resource modelling. The results also demonstrated that higher-grade rubidium mineralisation occurs as coherent zones within the broader mineralised pegmatites rather than as isolated intervals, providing increased confidence in the continuity of higher-grade mineralisation.

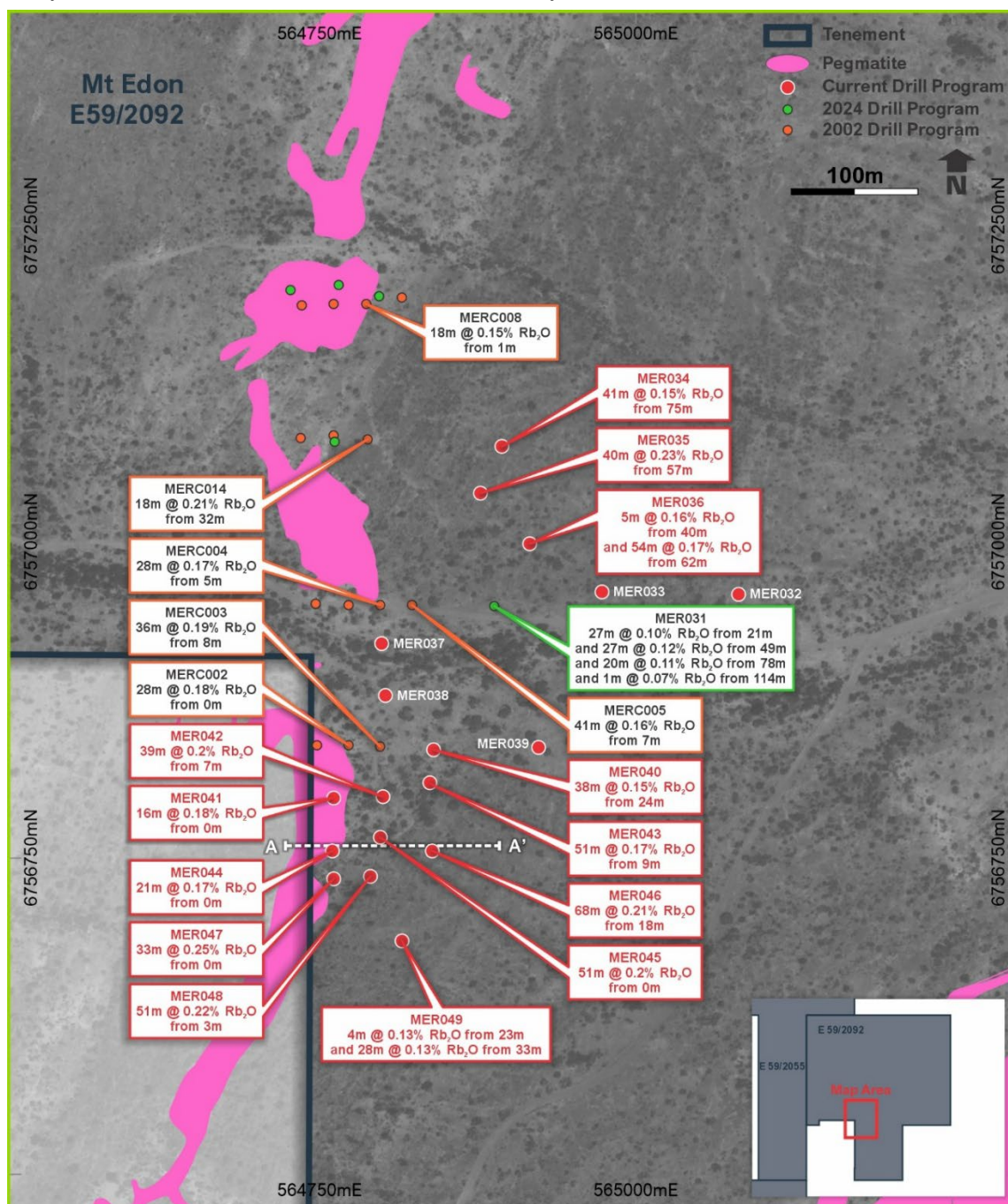
Extension drilling completed south of the main Sophie Prospect successfully intersected additional pegmatite-hosted rubidium mineralisation beyond the previously defined area. These results support the interpreted southern continuation of the mineralised system and highlight the broader exploration potential of the Project beyond the initial resource area.

**Table 1: Rubidium grade intercept highlights (0.05% cutoff)**

| Hole ID       | Easting (m) | Northing (m) | From | To | Intercept                          |
|---------------|-------------|--------------|------|----|------------------------------------|
| <b>MER043</b> | 564834.8    | 6756809.1    | 9    | 60 | 51m @ 0.17% Rb <sub>2</sub> O      |
| <b>MER043</b> |             | inc.         | 12   | 25 | <b>13m @ 0.22% Rb<sub>2</sub>O</b> |
| <b>MER043</b> |             | inc.         | 39   | 51 | <b>12m @ 0.23% Rb<sub>2</sub>O</b> |
| <b>MER044</b> | 564756.8    | 6756756.4    | 0    | 21 | 21m @ 0.17% Rb <sub>2</sub> O      |
| <b>MER044</b> |             | inc.         | 2    | 7  | <b>5m @ 0.31% Rb<sub>2</sub>O</b>  |
| <b>MER045</b> | 564795.6    | 6756766.5    | 0    | 51 | 51m @ 0.20% Rb <sub>2</sub> O      |
| <b>MER045</b> |             | inc.         | 35   | 48 | <b>13m @ 0.30% Rb<sub>2</sub>O</b> |
| <b>MER046</b> | 564836      | 6756756.1    | 18   | 86 | 68m @ 0.21% Rb <sub>2</sub> O      |
| <b>MER046</b> |             | inc.         | 23   | 36 | <b>13m @ 0.51% Rb<sub>2</sub>O</b> |
| <b>MER046</b> |             | Inc.         | 32   | 34 | <b>2m @ 0.95% Rb<sub>2</sub>O</b>  |
| <b>MER047</b> | 564757.6    | 6756733.6    | 0    | 33 | 33m @ 0.25% Rb <sub>2</sub> O      |

|               |        |           |    |    |                                    |
|---------------|--------|-----------|----|----|------------------------------------|
| <b>MER047</b> |        | inc.      | 6  | 26 | <b>20m @ 0.30% Rb<sub>2</sub>O</b> |
| <b>MER048</b> | 564787 | 6756735.7 | 3  | 54 | 51m @ 0.22% Rb <sub>2</sub> O      |
| <b>MER048</b> |        | inc.      | 26 | 53 | <b>27m @ 0.30% Rb<sub>2</sub>O</b> |
| <b>MER049</b> | 564811 | 6756685.1 | 33 | 61 | 28m @ 0.13% Rb <sub>2</sub> O      |
| <b>MER049</b> |        | inc.      | 36 | 41 | <b>5m @ 0.20% Rb<sub>2</sub>O</b>  |

Significant drill intersections from the 2026 drilling program are summarised in Table 1. Complete analytical results were released to the ASX on 28 May 2026<sup>1</sup> and 18 June 2026<sup>2</sup>.



**Figure 2: Mapped pegmatite outcrop at Sophie Prospect with drilling intercepts.**

<sup>1</sup> Refer ASX Announcement – Mt Edon Drilling Confirms Broad Rubidium Mineralisation, 28 May 2026.

<sup>2</sup> Refer ASX Announcement – Final Mt Edon Drilling Results Advance Maiden Rubidium Resource, 18 June 2026.



Analytical results from the completed drilling program confirm that rubidium mineralisation is consistently associated with highly evolved pegmatites at the Sophie Prospect. Multi-element geochemical analysis has also confirmed the presence of associated lithium and other critical elements characteristic of fractionated LCT pegmatite systems.

While the current exploration program has been focused on evaluating the rubidium potential of the Project, the consistent association of lithium mineralisation within the pegmatite system continues to support the broader critical minerals potential of Mt Edon. Opportunities to further evaluate associated mineralisation will be considered as technical studies progress.

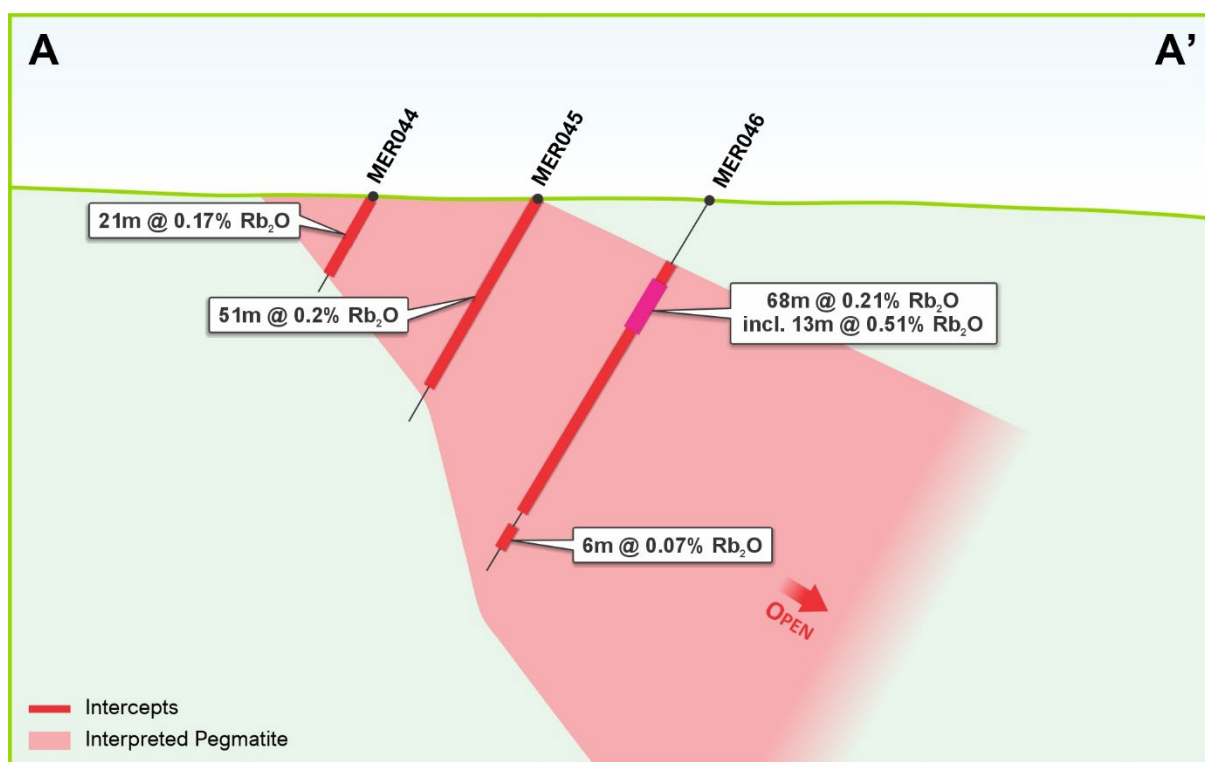


Figure 3: Section A-A' from Figure 1.

### Conclusions and next steps

Completion of the 2026 drilling program and receipt of all analytical results represent a significant milestone in the advancement of the Mt Edon Project.

During the September quarter, the Company expects to focus on completion of the JORC MRE together with continued metallurgical evaluation in collaboration with Edith Cowan University. These activities will support future technical studies and ongoing assessment of the development potential of the Project.

## Mallina Lithium Project (Morella-Elevra Joint Venture)

The Mallina Project is situated within the Mallina Basin along the central Pilbara coast, a regionally extensive and largely covered corridor considered prospective for rare-metal pegmatite systems (see Figure 4). The Project forms part of a broader lithium-fertile trend extending toward the Tabba Tabba and Wodgina districts.

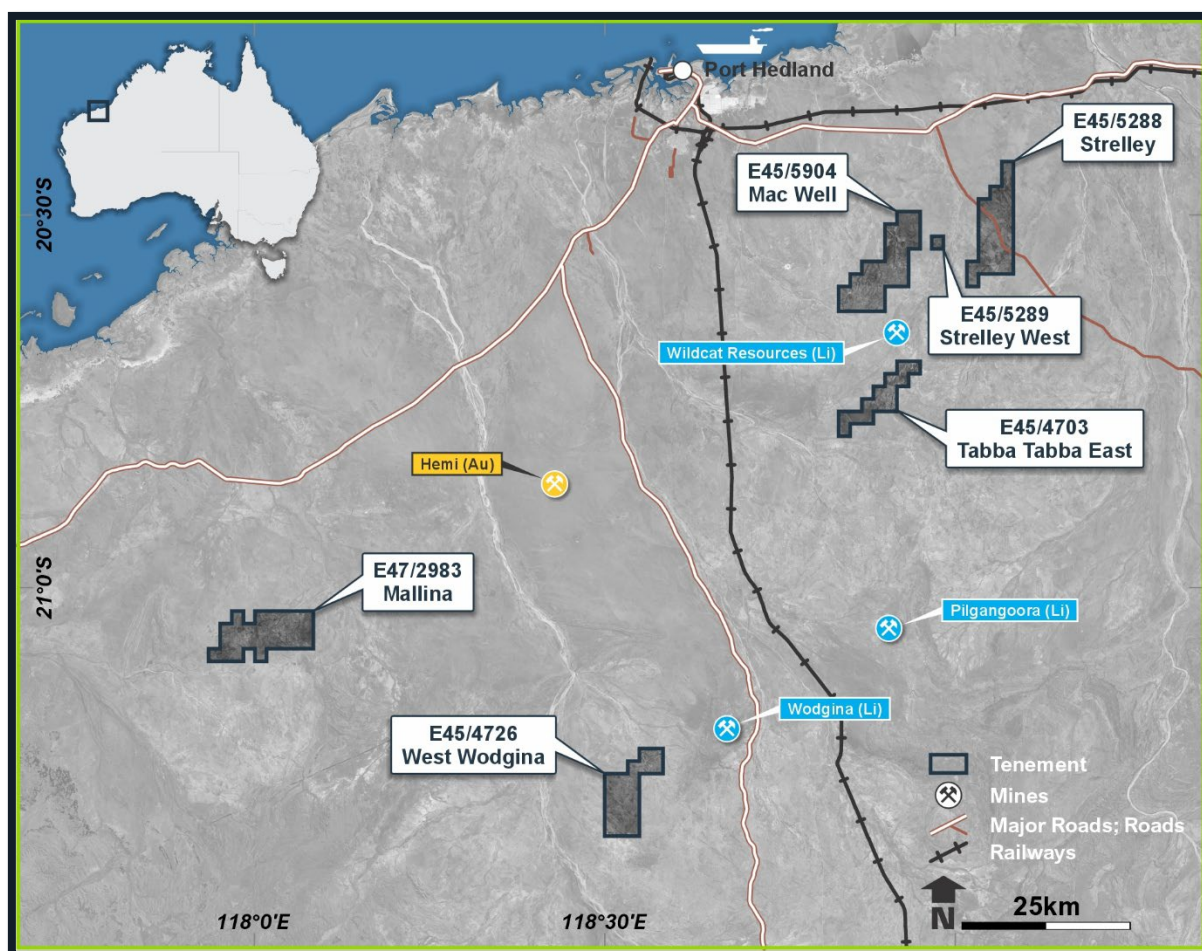


Figure 4: Mallina and other JV Project Locations

### Quarter activities:

Activities during the quarter focused on interpretation of the recently completed government co-funded ground gravity survey and integration of geological and geochemical datasets to refine exploration targets across the Project.

The interpretation identified several priority gravity low targets for follow-up investigation. Field reconnaissance was undertaken to assess the surface expression of these targets and to support planning for future mapping and drilling activities.

The work completed during the quarter has further refined the Company's understanding of the Project and will assist in prioritising future exploration activities as part of the broader Morella-Elevra Joint Venture portfolio.

## Dixon Well Project (Titanium – Vanadium – E57/1226, WA)

The Dixon Well Project is located in Western Australia and is prospective for titanium, vanadium and associated critical minerals. The Project is considered an early-stage exploration opportunity within the Company's diversified portfolio of critical mineral assets.

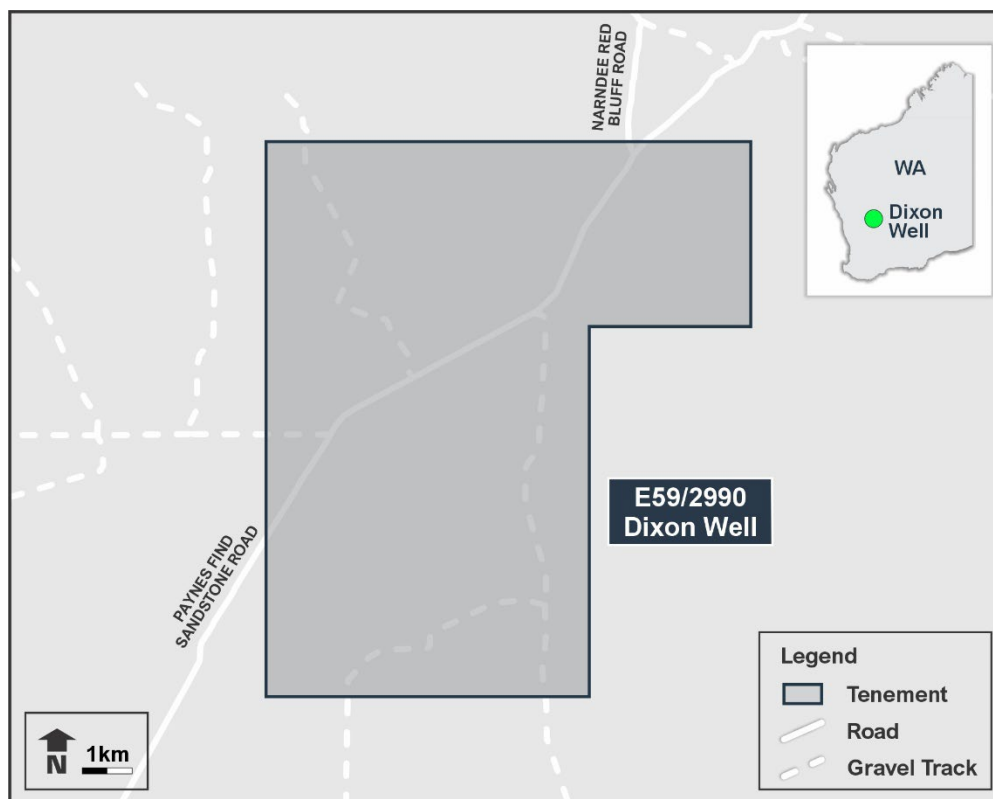


Figure 5 – Dixon Well Project Location

### Quarter activities:

Activities during the quarter focused on advancing the geological understanding of the Dixon Well Project through compilation and interpretation of historical exploration data together with ongoing target refinement. This work is intended to support planning of future exploration programs and improve understanding of the Project's mineral potential.

Preliminary field assessments and project reviews were also undertaken to validate geological interpretations and assist in prioritising future exploration activities.

The Company will continue to assess the exploration potential of the Project through ongoing technical evaluation and target generation, with future work programs to be prioritised within the broader Western Australian exploration portfolio.

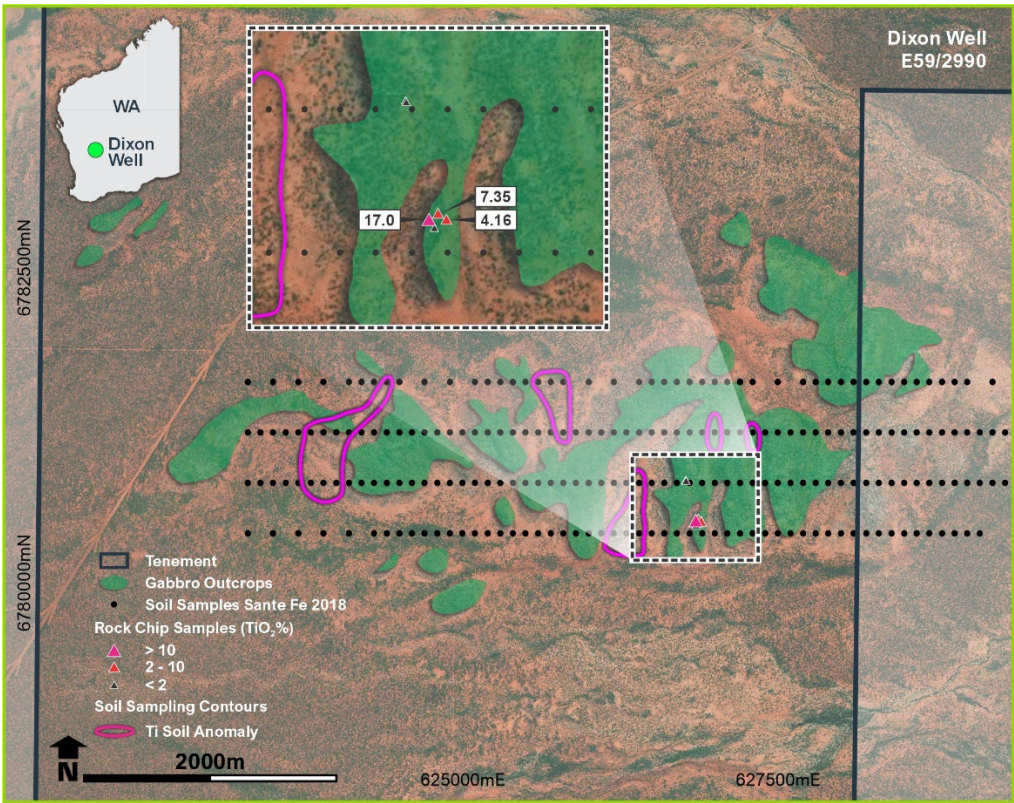


Figure 6 - Soil anomalies and Rock Chips



## **Tabba Tabba Projects (Tabba Tabba East, Strelley and Mac Well)**

### **(Morella-Elevra Joint Venture)**

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#### **Project Overview**

The Tabba Tabba Projects comprise the Tabba Tabba East, Strelley and Mac Well Exploration Licences held under the Morella–Elevra Joint Venture. Collectively, these tenements form a strategically located land package in the Pilbara region of Western Australia which provides the Joint Venture with a substantial exploration footprint adjacent to existing and emerging lithium operations. The combined project area remains prospective for lithium-bearing pegmatites and represents an important component of the Joint Venture's Western Australian exploration portfolio.

#### **Quarter Activities**

During the quarter, activities at the Tabba Tabba Projects were primarily directed towards protecting the Joint Venture's interests in response to proposed mining infrastructure and tenure applications associated with neighbouring developments.

The Company undertook technical, commercial and legal reviews of proposed access arrangements and associated infrastructure to assess their potential impact on the Joint Venture's exploration activities and future development opportunities. This work included ongoing engagement with neighbouring operators and specialist legal advisers to ensure the Joint Venture's statutory rights and long-term strategic interests were appropriately protected.

In parallel, the Company continued to evaluate opportunities to achieve practical coexistence outcomes that support regional development while preserving the Joint Venture's existing tenure rights and future exploration potential.

#### **Legal and Access Matters**

During the quarter, the Joint Venture continued to manage matters arising from proposed infrastructure and associated tenure applications connected with the development of the neighbouring Tabba Tabba Lithium Project. These applications include Miscellaneous Licence applications L45/915 and L45/912, which together provide for proposed haul roads, processing infrastructure and other mining support facilities within and adjacent to the Joint Venture's tenure.

The proposed tenure applications overlap or adjoin portions of the Joint Venture's Tabba Tabba Projects. The Company undertook detailed assessments of the potential implications of the proposed infrastructure and tenure arrangements, while continuing to explore practical coexistence outcomes that support regional development and appropriately protect the Joint Venture's interests.

Following completion of these assessments, the Joint Venture lodged objections to the relevant tenure applications and commenced proceedings in the Western Australian Warden's Court. The proceedings seek to ensure the Joint Venture's tenure rights and future development opportunities are appropriately recognised in any future infrastructure arrangements.

The Company remains committed to protecting and enhancing the long-term value of its Joint Venture interests for shareholders. The Company supports the orderly development of the broader Tabba Tabba district and remains willing to engage constructively with neighbouring operators, government agencies and other stakeholders to pursue practical coexistence outcomes that appropriately balance the interests of all parties.

The Warden's Court proceedings remain ongoing at the date of this report. The Company will continue to pursue constructive commercial engagement alongside the legal process and will provide further updates as material developments occur.

## NEVADA PROJECTS

### Fish Lake Valley and North Big Smoky

#### Project Overview

The Company's Nevada Projects comprise lithium brine exploration assets located within established sedimentary basins along the central Nevada lithium trend (Figure 8). The portfolio provides exposure to prospective lithium-bearing basin systems in a jurisdiction that continues to be an important focus for the development of a domestic United States critical minerals supply chain.

#### Quarter Activities

No field exploration activities were undertaken on the Nevada Projects during the quarter, with the Company's focus directed towards maintaining the portfolio in good standing while preserving future strategic optionality.

During the quarter, shareholders approved the issue of shares to Lithium Corporation as part of the ongoing management and restructuring of the Nevada portfolio. The Company also continued to undertake the administrative and compliance activities necessary to maintain the projects in good standing.

The Company will continue to assess opportunities to maximise value from its Nevada portfolio while maintaining exposure to prospective lithium brine systems in the United States.

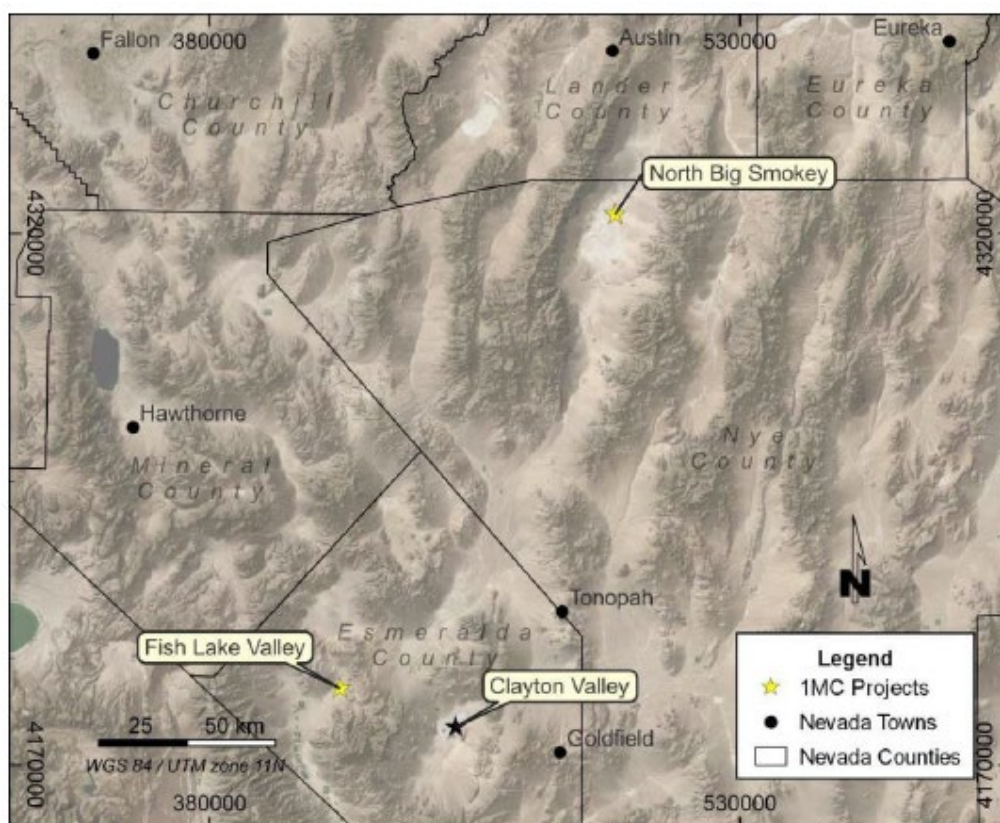


Figure 8 – Morella Corporation Nevada Project Locations

## **CORPORATE**

### **Placement and Extraordinary General Meeting**

During the quarter, the Company completed the remaining shareholder approval requirements associated with the A\$2.1 million placement announced in February 2026<sup>3</sup>.

The placement comprised the issue of 52.5 million fully paid ordinary shares at A\$0.04 per share, together with one free-attaching unlisted option for every new share issued. The options are exercisable at A\$0.06 and expire three years from their date of issue.

Tranche 1 of the placement had been completed during the March quarter using the Company's existing placement capacity. During the June quarter, shareholders approved the issue of the Tranche 2 placement securities, the associated placement options and the other securities set out in the Notice of Meeting<sup>4</sup>.

The Extraordinary General Meeting was held on 29 April 2026, with all resolutions passed on a poll<sup>5</sup>. These approvals enabled the Company to complete the remaining placement-related issues, including participation by Interra Resources Limited and Directors, and to issue shares in satisfaction of certain previously disclosed director fees and interest obligations. Shareholders also approved the issue of shares to Lithium Corporation.

Completion of these matters strengthened the Company's balance sheet, reduced outstanding liabilities and provided additional funding flexibility to advance its priority exploration and corporate initiatives.

### **Capital Management**

The Company continued to apply a disciplined approach to corporate expenditure and capital allocation during the quarter. Funding priorities remained focused on advancing the MRE and related technical work at Mt Edon, progressing the Australian exploration portfolio and maintaining strategic flexibility across the Company's broader asset base.

### **Federal Court Proceedings**

During the quarter, the Federal Court proceedings commenced by Morella against the former Receivers and Managers of Altura Mining Limited (the Company's former name) continued to progress through the Court-managed pre-trial process.

The proceedings relate to events associated with the 2020 receivership of Altura Mining Limited and the subsequent sale of its principal assets.

During the quarter, the parties continued to address procedural matters, including discovery, security for costs and the future timetable for the proceeding. The Company continued to be represented by its external legal advisers.

Subsequent to the end of the quarter, the Federal Court made further procedural orders in the proceeding.

The Board does not presently expect the litigation to materially affect the Company's exploration, project development or ordinary corporate activities.

<sup>3</sup> Refer ASX Announcement – *Firm Commitments Received for A\$2.1 Million Placement, 23 February 2026*.

<sup>4</sup> Refer ASX Announcement – *Notice of Extraordinary Meeting/Proxy Form, 26 March 2026*.

<sup>5</sup> Refer ASX Announcement – *Results of Extraordinary General Meeting, 29 April 2026*.

## OUTLOOK

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The Company's immediate priorities for the September 2026 quarter include:

- Completion of the JORC Rubidium MRE for the Mt Edon Rubidium Project.
- Advancement of technical studies to support future metallurgical testwork and project evaluation.
- Continued assessment and prioritisation of exploration opportunities across the Australian project portfolio.
- Ongoing management of the Tabba Tabba Joint Venture and associated legal proceedings.
- Continued evaluation of strategic acquisition, partnership and investment opportunities to expand the Company's portfolio of critical minerals projects in Tier 1 mining jurisdictions.
- Maintaining disciplined capital management while advancing projects capable of delivering long-term shareholder value.

The Company believes it is well positioned to build on the progress achieved during the June quarter and remains focused on advancing its existing asset base while pursuing opportunities to create long-term shareholder value.

**Morella Managing Director James Brown said:**

*"The June quarter was an important period for Morella, with the Company delivering meaningful progress across its portfolio while maintaining a disciplined approach to capital allocation and project development.*

*Mt Edon remains our primary focus, and the work completed during the quarter has further strengthened our confidence in the Project and its long-term potential. At the same time, we continued to protect and advance our broader portfolio through technical evaluation, responsible capital management and the proactive management of our Joint Venture interests.*

*Looking ahead, our priority is to build on this momentum by progressing Mt Edon through its next phase of technical evaluation while continuing to assess opportunities that strengthen our portfolio and create long-term value for shareholders."*

### Other Disclosure - Update

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As disclosed under item 6 in the Appendix 5B, the Company made payments to related parties as follows:

- \$63,000 relating to the Directors fees for the Quarter.
- \$81,000 relating to interest paid on funding facility.

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

### Contact for further information.

[Investors | Shareholders](#)

**James Brown**

Managing Director

E: [info@morellacorp.com](mailto:info@morellacorp.com)



**Competent Persons Statement** The information in this announcement that relates to Exploration Results is based on information compiled by Mr Henry Thomas, who is a Member of the Australasian Institute of Mining and Metallurgy and is the Exploration Manager employed by Morella Corporation. Mr Henry Thomas 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 Henry Thomas consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

**About Morella Corporation Limited** Morella (ASX:1MC) is an exploration and resource development company advancing a portfolio of critical mineral projects across Tier 1 jurisdictions in Australia and the United States. With active exploration underway in lithium, rubidium, and titanium, Morella is committed to securing raw materials essential for the global clean energy transition and high-value industrial applications.

## Schedule of Tenements

The schedule below discloses the exploration tenements held by the Company at the end of the Quarter; none were sold or cancelled.

| Location                   | Tenement Number                     | Interest beginning of Quarter | Interest end of Quarter |
|----------------------------|-------------------------------------|-------------------------------|-------------------------|
| Mt Edon South              | E59/2778                            | 100%                          | 100%                    |
| Four Corners Well          | E59/2904                            | 100%                          | 100%                    |
| Dixon Well                 | E57/1226                            | 100%                          | 100%                    |
| TabbaTabba East            | E45/4703                            | 51%                           | 51%                     |
| West Wodgina               | E45/4726                            | 51%                           | 51%                     |
| Strelley                   | E45/5288                            | 51%                           | 51%                     |
| Strelley West              | E45/5289                            | 51%                           | 51%                     |
| Mac Well                   | E45/5904                            | 51%                           | 51%                     |
| Mallina                    | E47/2983                            | 51%                           | 51%                     |
| Mt Edon                    | E59/2092                            | 51%                           | 51%                     |
| Mt Edon West               | E59/2055                            | 0%                            | 51%                     |
| Tabalong, South Kalimantan | PT Suryaraya Permata Khatulistiwa   | 70%                           | 70%                     |
|                            | PT Suryaraya Cahaya Cemerlang       | 70%                           | 70%                     |
|                            | PT Suryaraya Pusaka                 | 70%                           | 70%                     |
|                            | PT Kodio Multicom                   | 56%                           | 56%                     |
|                            | PT Marangkayu Bara Makarti          | 56%                           | 56%                     |
| Catanduanes, Philippines   | COC 182 (Area 3) – Catanduanes      | 100%                          | 100%                    |
| Albay Region, Philippines  | COC 200 (Area 4) – Rapu-Rapu        | 100%                          | 100%                    |
| Bislig Region, Philippines | COC 202 (Area 17) – Surigao del Sur | 100%                          | 100%                    |

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Morella Corporation Limited

ABN

39 093 391 774

Quarter ended ("current quarter")

30 June 2026

| Consolidated statement of cash flows |                                                       | Current quarter<br>\$A'000 | Year to date<br>(12 months)<br>\$A'000 |
|--------------------------------------|-------------------------------------------------------|----------------------------|----------------------------------------|
| <b>1.</b>                            | <b>Cash flows from operating activities</b>           |                            |                                        |
| 1.1                                  | Receipts from customers                               | 130                        | 601                                    |
| 1.2                                  | Payments for                                          |                            |                                        |
|                                      | (a) exploration & evaluation                          | (87)                       | (367)                                  |
|                                      | (b) development                                       | -                          | -                                      |
|                                      | (c) production                                        | -                          | -                                      |
|                                      | (d) staff costs                                       | (215)                      | (829)                                  |
|                                      | (e) administration and corporate costs                | (199)                      | (885)                                  |
| 1.3                                  | Dividends received (see note 3)                       | -                          | -                                      |
| 1.4                                  | Interest received                                     | -                          | 1                                      |
| 1.5                                  | Interest and other costs of finance paid              | (95)                       | (122)                                  |
| 1.6                                  | Income taxes paid                                     | -                          | -                                      |
| 1.7                                  | Government grants and tax incentives                  | -                          | -                                      |
| 1.8                                  | Other (provide details if material)                   |                            |                                        |
|                                      | • Sundry income                                       | 6                          | 27                                     |
| <b>1.9</b>                           | <b>Net cash from / (used in) operating activities</b> | <b>(460)</b>               | <b>(1,574)</b>                         |
| <b>2.</b>                            | <b>Cash flows from investing activities</b>           |                            |                                        |
| 2.1                                  | Payments to acquire or for:                           |                            |                                        |
|                                      | (a) entities                                          | -                          | -                                      |
|                                      | (b) tenements                                         | -                          | -                                      |
|                                      | (c) property, plant and equipment                     | -                          | -                                      |
|                                      | (d) exploration & evaluation                          | (326)                      | (1,173)                                |
|                                      | (e) investments                                       | -                          | -                                      |
|                                      | (f) other non-current assets                          | -                          | -                                      |

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows |                                                       | Current quarter<br>\$A'000 | Year to date<br>(12 months)<br>\$A'000 |
|--------------------------------------|-------------------------------------------------------|----------------------------|----------------------------------------|
| 2.2                                  | Proceeds from the disposal of:                        |                            |                                        |
|                                      | (a) entities                                          | -                          | -                                      |
|                                      | (b) reimbursement from tenement holder                | -                          | -                                      |
|                                      | (c) property, plant and equipment                     | -                          | -                                      |
|                                      | (d) investments – Sale of shares on market            | -                          | -                                      |
|                                      | (e) Reimbursement from offshore tenement partner      | -                          | -                                      |
| 2.3                                  | Cash flows from loans to other entities               | -                          | -                                      |
| 2.4                                  | Dividends received (see note 3)                       | -                          | -                                      |
| 2.5                                  | Other – Term deposit facility                         | -                          | -                                      |
| <b>2.6</b>                           | <b>Net cash from / (used in) investing activities</b> | <b>(326)</b>               | <b>(1,173)</b>                         |

|             |                                                                                         |            |              |
|-------------|-----------------------------------------------------------------------------------------|------------|--------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>                                             |            |              |
| 3.1         | Proceeds from issues of equity securities (excluding convertible debt securities)       | 526        | 2,100        |
| 3.2         | Proceeds from issue of convertible debt securities                                      | -          | -            |
| 3.3         | Proceeds from exercise of options                                                       | -          | -            |
| 3.4         | Transaction costs related to issues of equity securities or convertible debt securities | (101)      | (101)        |
| 3.5         | Proceeds from borrowings                                                                | -          | 1,400        |
| 3.6         | Repayment of borrowings                                                                 | -          | -            |
| 3.7         | Transaction costs related to loans and borrowings                                       | -          | -            |
| 3.8         | Dividends paid                                                                          | -          | -            |
| 3.9         | Other (provide details if material)                                                     |            |              |
|             | • Payments of lease liabilities                                                         | (12)       | (46)         |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                                   | <b>413</b> | <b>3,353</b> |



| Consolidated statement of cash flows |                                                                              | Current quarter<br>\$A'000 | Year to date<br>(12 months)<br>\$A'000 |
|--------------------------------------|------------------------------------------------------------------------------|----------------------------|----------------------------------------|
| <b>4.</b>                            | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> | (373)                      | 606                                    |
| 4.1                                  | Cash and cash equivalents at beginning of period                             | <b>1,804</b>               | <b>804</b>                             |
| 4.2                                  | Net cash from / (used in) operating activities (item 1.9 above)              | (460)                      | (1,574)                                |
| 4.3                                  | Net cash from / (used in) investing activities (item 2.6 above)              | (326)                      | (1,173)                                |
| 4.4                                  | Net cash from / (used in) financing activities (item 3.10 above)             | 413                        | 3,353                                  |
| 4.5                                  | Effect of movement in exchange rates on cash held                            | (33)                       | (12)                                   |
| <b>4.6</b>                           | <b>Cash and cash equivalents at end of period</b>                            | <b>1,398</b>               | <b>1,398</b>                           |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter<br>\$A'000 | Previous quarter<br>\$A'000 |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------|
| 5.1        | Bank balances                                                                                                                                                               | 1,398                      | 1,804                       |
| 5.2        | Call deposits                                                                                                                                                               | -                          | -                           |
| 5.3        | Bank overdrafts                                                                                                                                                             | -                          | -                           |
| 5.4        | Other (provide details)                                                                                                                                                     | -                          | -                           |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>                                                                                            | <b>1,398</b>               | <b>1,804</b>                |

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- Directors Fees paid in the Qtr
  - Interest paid on funding facility in the Qtr.
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter  
\$A'000**

63

81

-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| 7. <b>Financing facilities</b>                                                                         |                                                                                                                                                                                                                                                                                                                                                        | <b>Total facility amount at quarter end \$A'000</b> | <b>Amount drawn at quarter end \$A'000</b> |
|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|--------------------------------------------|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> |                                                                                                                                                                                                                                                                                                                                                        |                                                     |                                            |
| <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>  |                                                                                                                                                                                                                                                                                                                                                        |                                                     |                                            |
| 7.1                                                                                                    | Loan facilities (i) (ii)                                                                                                                                                                                                                                                                                                                               | 4,935                                               | 4,935                                      |
| 7.2                                                                                                    | Credit standby arrangements                                                                                                                                                                                                                                                                                                                            | -                                                   | -                                          |
| 7.3                                                                                                    | Other (please specify)                                                                                                                                                                                                                                                                                                                                 | -                                                   | -                                          |
| 7.4                                                                                                    | <b>Total financing facilities</b>                                                                                                                                                                                                                                                                                                                      | 4,935                                               | 4,935                                      |
| 7.5                                                                                                    | <b>Unused financing facilities available at quarter end</b>                                                                                                                                                                                                                                                                                            |                                                     | -                                          |
| 7.6                                                                                                    | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.            |                                                     |                                            |
| (i)                                                                                                    | Morella has executed an unsecured facility with related entities to fund the Deed of Company Arrangement and initial working capital requirements. The facility maturity date is March 2027 with an interest rate of 8% pa. The facility can be converted into shares at the option of the lender whilst meeting the appropriate regulatory approvals. |                                                     |                                            |
| (ii)                                                                                                   | Morella has completed an additional facility with related entities to meet the Groups working capital requirements. The facility maturity date is August 2028 with an interest rate of 8%pa. The facility can be converted into shares at the option of the lender whilst meeting the appropriate regulatory approvals.                                |                                                     |                                            |

| 8. <b>Estimated cash available for future operating activities</b> |                                                                                          | <b>\$A'000</b> |
|--------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------|
| 8.1                                                                | Net cash from / (used in) operating activities (item 1.9)                                | (460)          |
| 8.2                                                                | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (326)          |
| 8.3                                                                | Total relevant incoming / (outgoings) (item 8.1 + item 8.2)                              | (786)          |
| 8.4                                                                | Cash and cash equivalents at quarter end (item 4.6)                                      | 1,398          |
| 8.5                                                                | Unused finance facilities available at quarter end (item 7.5)                            | -              |
| 8.6                                                                | Total available funding (item 8.4 + item 8.5)                                            | 1,398          |
| 8.7                                                                | <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>            | 1.8            |

*Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.*

8.8

If item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Yes

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: The Company has the ability to vary exploration intensity in order to manage funding. The Company believes that additional capital will be required during the year and is confident of raising such capital when required, based on previous funding outcomes the Board expects a high probability of success.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the Company has been successful and well supported for funding previously and the Board expects sufficient funds can be raised to meet the Group's operational objectives

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2026

Authorised by: Morella Board of Directors

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.