MORELLA CORPORATION

ASX Announcement



20 November 2026

Cleansing Notice Under Section 708AA(2)(f) of the Corporations Act

Morella Corporation Limited (ACN 093 391 774) (ASX: 1MC) (**Company**) gives this notice under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**), as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2026/98* and ASIC Corporations (Annual and Half-year Reporting) Instrument 2026/468 (**Legislative Instruments**).

The Company has today announced a non-renounceable pro rata entitlement offer of approximately 147,253,023 new fully paid ordinary shares in the Company (**New Shares**) to Eligible Shareholders on the basis of one (1) New Share for every three (3) existing fully paid ordinary shares in the Company (**Shares**) held at 5.00pm (WST) on 25 November 2026 (**Record Date**), at an issue price of $0.021 per New Share, to raise up to $3.092 million (before costs) (**Entitlement Offer**).

Eligible Shareholders are Shareholders with a registered address in Australia, New Zealand or Singapore as at 5.00pm (WST) on the Record Date. Eligible Shareholders who take up their entitlement to New Shares under the Entitlement Offer (**Entitlement**) in full may also apply for additional New Shares in excess of their Entitlement (**Shortfall Shares**) under a shortfall facility (**Shortfall Offer**).

The terms of the Entitlement Offer and the Shortfall Offer are set out in the Company's offer document dated 20 November 2026 (**Offer Document**), which has been released to ASX today.

The Company advises that:

(a) the New Shares will be offered for issue without disclosure to investors under Part 6D.2 of the Corporations Act;

(b) this notice is being given under section 708AA(2)(f) of the Corporations Act, as modified by the Legislative Instruments;

(c) as at the date of this notice, the Company has complied with:

  (i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and

  (ii) sections 674 and 674A of the Corporations Act;

(d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act that is required to be set out in this notice under section 708AA(7) of the Corporations Act; and

(e) the potential effect that the issue of the New Shares under the Entitlement Offer will have on the control of the Company, and the consequences of that effect, are set out below.

Potential effect on control of the Company

The maximum number of New Shares that may be issued under the Entitlement Offer is approximately 147,253,023, representing approximately 33.33% of the Shares currently on issue and 25% of the Shares that will be on issue following completion of the Entitlement Offer (assuming it is fully subscribed and no other Shares are issued). The number of Shares on issue will increase from 441,759,069 to approximately 589,012,092.

The potential effect of the issue of the New Shares on the control of the Company, and the consequences of that effect, will depend on a number of factors, including the extent to which Eligible Shareholders take up their Entitlements and the demand for, and allocation of, Shortfall Shares. If all Eligible Shareholders take up their Entitlements in full, the Entitlement Offer will have no significant effect on the control of the Company. Eligible Shareholders who do not take up their Entitlements in full, and Shareholders who are not Eligible Shareholders, will have their interests in the Company diluted.

Each of the Company's Directors has committed to participate in the issue up to a combined total of $705,000 representing approximately 22.81% of the total amount sought to be raised. Assuming no other Shareholder (other than the other Directors for their agreed participation) takes up any Entitlement, the voting power of Director Allan Buckler (together with his associates) may increase from approximately 15.92% to a maximum of approximately 19.28% following completion of the Entitlement Offer. Any increase in Mr Buckler's voting power would increase his influence over shareholder resolutions and dilute the relative voting power of non-participating Shareholders. The Directors will not participate in the Shortfall Offer.

The Company will not issue New Shares under the Entitlement Offer or the Shortfall Offer where the issue would result in a contravention of section 606 of the Corporations Act. No nominee has been appointed under section 615 of the Corporations Act and, accordingly, Eligible Shareholders cannot rely on item 10 of section 611 of the Corporations Act and must have regard to section 606 of the Corporations Act when taking up their Entitlements.

Having regard to the participation assumptions described above and compliance with section 606 of the Corporations Act, the Company does not expect the Entitlement Offer to result in a change in control of the Company, although it may increase Mr Buckler's voting influence as described above. Further details are set out in section 2.3 of the Offer Document.

Contact for further information

Investors | Shareholders

James Brown
Managing Director
E: info@morellacorp.com

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 advancing a portfolio of critical minerals across Tier 1 jurisdictions in Australia and the United States of America. With active exploration underway in lithium, rubidium and titanium, Morella is committed to securing raw materials essential for clean energy transition and high-value industrial applications.

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.