

6 September 2023

Drilling Commenced at Fish Lake Valley

Drilling contract executed with Layne Minerals LLC

Pad preparation for two drill holes completed with drilling commenced on the first hole

Overview

Morella Corporation Limited (ASX: 1MC “Morella” or “the Company”) is pleased to announce that it has awarded a contract to Layne Minerals LLC (Layne Minerals) for the provision of reverse circulation (RC) and core drilling services at the Company’s Fish Lake Valley (FLV) Project in Nevada, USA.

Permitting and pad preparation in support of the drilling program has been completed and drilling has now commenced.

Morella Managing Director James Brown said:

“Fish Lake Valley is a key part of Morella’s Nevada exploration program and represents a significant lithium target. With previous geophysics work¹ successfully identifying drill ready targets and clear delineation of the brine reservoir, we are now pleased to enter the drilling phase of the evaluation.

“The commencement of this strategic drilling program marks a pivotal milestone for the Project and its key partner in Lithium Corporation. It signifies the initial step towards tapping into the brine reservoir, with the data we gather being instrumental in shaping the future of our exploration efforts at FLV and importantly, it has the potential to drive the project towards a mineral resource.

“We are eagerly anticipating the outcomes of this drilling program and are excited to share the results with the market as soon as they become available.”

Permitting and Pad preparation

Morella has completed the permitting process with the Bureau of Land Management (BLM) for the drilling pad preparation work. Subsequent to the drilling permit being received, Morella contracted Tipton Mining to construct the two pads on the northeastern side of the FLV project area. Drill Pad Number 1 (Pad 1) was completed on 5 August and Drill Pad Number 2 (Pad 2) completed on 13 August. Figure 1 below shows the completed Pad 2.

¹ Refer to the Company’s ASX release dated 1 September 2022 “Further drilling targets identified at Fish Lake Valley Lithium Project



Figure 1 – Completed Pad 2

Drillhole location and design

The drillholes are located on the northeastern side of the Project area and are designed to be drilled to a depth of 1,200ft. The first 200ft will be drilled by a RC Rig, which will then install a conductor casing that will be cemented. A further 1,000ft will be drilled by a core drill rig which will instal a slotted casing into the brine horizon to enable effective sampling. The location of the two (2) drill holes are shown in Figure 2.

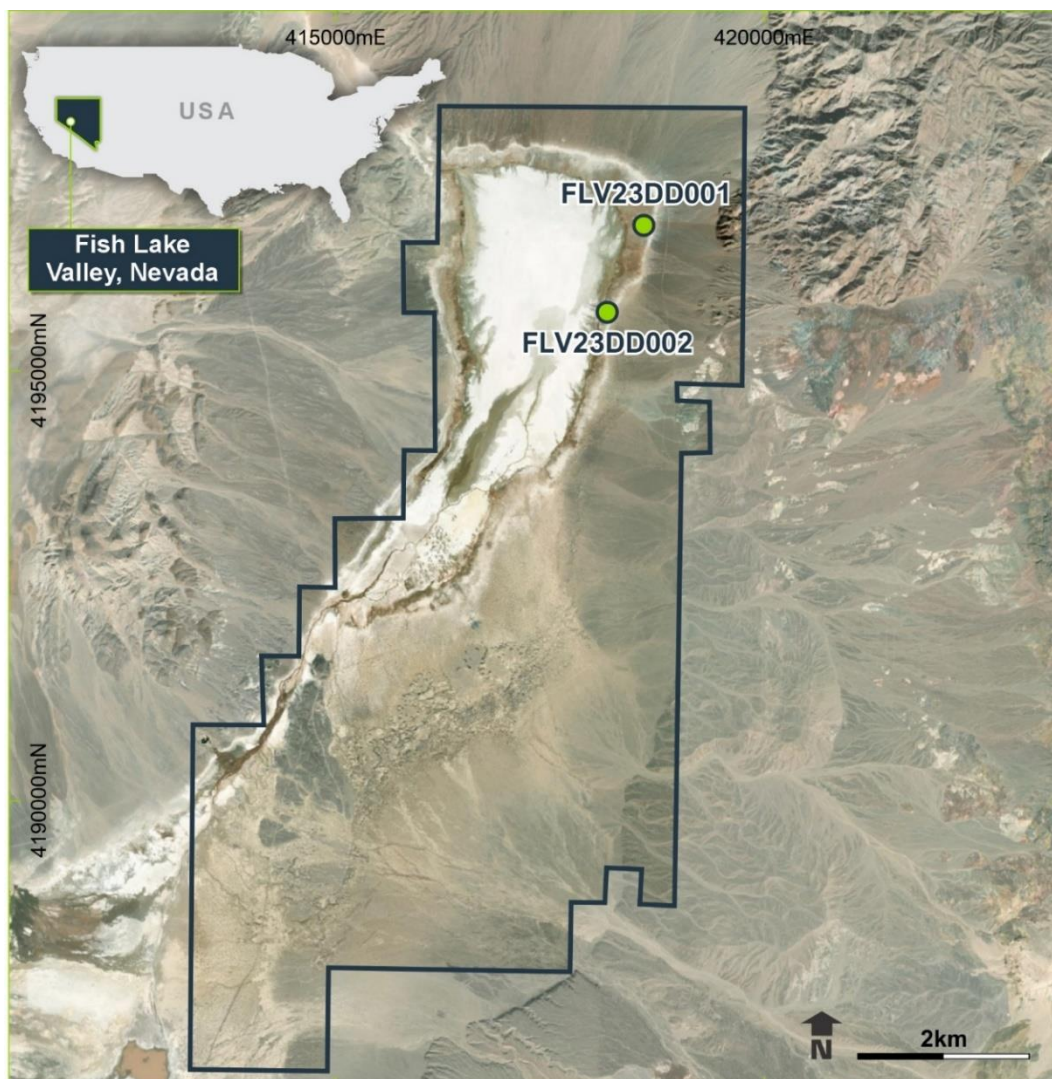


Figure 2 – Location of drill holes.

Drilling Mobilisation

The RC rig was mobilised to site on 25 August and has now commenced drilling. Once the RC rig has completed collaring the FLV23DD001 hole it will move and collar hole FLV23DD002. Figures 3 and 4 show the drill rig setup on for the first hole.



Figure 3 – Pad 1 location and set up



Figure 4 – Pad 1 setup including service road access.

Next Steps

The next steps are:

- Complete collaring FLV23DD001 and FLV23DD002 before demobilising the RC rig
- Install conductor casing in both holes.
- Mobilise the core rig and complete the holes to final depth (1,200ft)
- Take bulk samples for DLE testwork

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.