

16 December 2024

**FURTHER SUBSCRIPTION FOR SHARES OF MORELLA CORPORATION LIMITED
PURSUANT TO PLACEMENT AS A LONG-TERM INVESTMENT**

*Unless otherwise defined, capitalised terms used herein shall bear the same meaning ascribed to them in the announcement dated 17 October 2024 in relation to the subscription for shares of Morella Corporation Limited pursuant to shortfall placement as a long-term investment (the “**Announcement**”).*

1. INTRODUCTION

1.1. Introduction. The board of directors (the “**Board**”) of Interra Resources Limited (the “**Company**”) refers to its previous announcements on 17 October 2024 and 5 December 2024, and wishes to announce that it has, on 16 December 2024, agreed to further subscribe for 19,230,769 fully paid ordinary shares (“**Shares**”) in Morella Corporation Limited (“**Morella**”), pursuant to another placement of Shares (the “**Placement**”). The Placement is a separate exercise from the Shortfall Placement that the Company previously participated in, and the Company is one of several investors based in Australia and Singapore participating in the Placement.

1.2. Placement of Securities. Pursuant to the Placement, an aggregate of 55,043,713 new fully paid ordinary shares in Morella (“**New Shares**”) will be issued to the investors. The Company has subscribed for 19,230,769 New Shares for an issue price of A\$0.026¹ (equivalent to approximately US\$0.017) per New Share, which represents a 16% discount to the last closing price of Morella Shares on the Australian Securities Exchange (“**ASX**”) on 11 December 2024. The Company will pay to Morella the subscription amount of A\$500,000 (equivalent to approximately US\$318,147) (the “**Subscription Amount**”) in connection with the Placement. The Company will hold the New Shares in Morella on behalf of its wholly-owned subsidiary, Goldwater Company Limited, a British Virgin Islands incorporated company. Further details of the principal terms of the Placement are set out in section 3.1 below.

1.3. Resultant Shareholding. Upon the issuance of the New Shares pursuant to the Placement, the Company will continue to be a “substantial holder” of Morella pursuant to the Corporations Act 2001 (Cth) of Australia. The Company will announce its resultant aggregate shareholding in Morella after the completion of the Placement.

1.4. Non-Discloseable Transaction. Rules 1006(a), Rule 1006(d) and Rule 1006(e) of the Listing Manual of the SGX-ST (the “**Mainboard Rules**”) are not applicable to the Company’s subscription of Morella Shares pursuant to the Placement as it is not a disposal of assets and the consideration is to be satisfied entirely by cash. Rule 1005 of the Mainboard Rules provides that, in determining the type of transaction, including whether a transaction is a discloseable transaction, the SGX-

¹ All figures denoted in A\$ are converted to US\$ at an exchange rate of US\$1:A\$1.5716 as at 13 December 2024.



ST may aggregate separate transactions completed within the last 12 months and treat them as if they were one transaction. As the relative figures computed on the bases set out in Rule 1006 of the Mainboard Rules in respect of the Subscription Amount do not exceed 5 per cent. even when aggregated with the Shortfall Subscription Amount pursuant to the Shortfall Placement as disclosed in the Announcement, as well as subsequent open market purchases of Morella Shares made in the last 12 months, the Company's subscription for Morella Shares pursuant to the Placement constitutes a non-discloseable transaction under Chapter 10 of the Mainboard Rules.

2. INFORMATION ON MORELLA CORPORATION LIMITED

Morella is an exploration and mineral resource development company listed on the ASX, focused on lithium and other 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.

3. PRINCIPAL TERMS OF THE PLACEMENT

3.1. Principal Terms of the Placement. The principal terms of the Placement include the following:

- 3.1.1.** Pursuant to the Placement, Morella will issue an aggregate of 55,043,713 New Shares at an issue price of A\$0.026 (equivalent to approximately US\$0.017) per New Share. The Placement will be undertaken in 2 tranches, with the first tranche to issue 27,176,923 New Shares to new and existing institutional and sophisticated investors in Australia and Singapore (including the Company), and the second tranche of 27,866,790 New Shares to be issued to the directors of Morella, subject to Morella's shareholder approval and scheduled for February 2025.
- 3.1.2.** Pursuant to the Placement, the Company has, on 16 December 2024, subscribed for 19,230,769 New Shares for an issue price of A\$0.026 (equivalent to approximately US\$0.017) per New Share.
- 3.1.3.** The Company will, by no later than 19 December 2024, pay to Morella the Subscription Amount of A\$500,000 (equivalent to approximately US\$318,147).
- 3.1.4.** Morella will issue the New Shares to the Company and update the share register as soon as practicable after the subscription date.
- 3.1.5.** Upon the issuance of the New Shares pursuant to the Placement, the Company will continue to be a "substantial holder" of Morella pursuant to the Corporations Act 2001 (Cth) of Australia. In accordance with the provisions of the Corporations Act 2001 (Cth) of Australia, the Company

will submit a change of interest of substantial holder notice to Morella for release on the ASX in due course.

3.1.6. The Placement is governed by the laws of Western Australia.

4. SOURCE OF FUNDING FOR THE SUBSCRIPTION OF SHARES PURSUANT TO THE PLACEMENT

4.1. The consideration for the Subscription Amount will be paid fully in cash by the Company to Morella and will be funded by the Company using the group's internal cash resources.

5. RATIONALE FOR FURTHER SUBSCRIPTION FOR MORELLA SHARES

As previously stated in the Announcement, the Company has been actively exploring a variety of new businesses and collaboration opportunities to identify suitable new ventures and strategic alliances to meet a new investment profile, including moving into new areas of renewable energy. In addition to the Shortfall Placement, the Company's participation in the current Placement allows the Company to increase its interest in Morella as a substantial holder at a significantly lower price than last traded price of Morella Shares on 11 December 2024, in light of the Company's announcement dated 5 December 2024 wherein the Company has shared with shareholders the update on Morella's discovery of rubidium during its drilling programme at Mt Edon. The Company is of the view that its participation in the Placement represents a strategic and long-term investment in Morella.

6. FURTHER INFORMATION

6.1. Interests of Directors and Substantial Shareholders. As at the date of this announcement, none of the Company's directors or substantial shareholders has any interest, direct or indirect, in the Placement other than through their respective interests (if any) in the share capital of the Company, save as disclosed below:

6.1.1. Ng Soon Kai, a director and controlling shareholder of the Company, has a direct interest in 10,336,787 Morella Shares, representing approximately 3.41% of Morella's issued share capital², and a deemed interest in 7,000,000 Morella Shares³ representing approximately 2.31% of Morella's issued share capital.

6.1.2. Tjia Marcel Han Liong, a director of the Company, has a deemed interest in 940,231 Morella Shares⁴, representing approximately 0.31% of Morella's issued share capital.

² As at the date of this announcement, Morella's issued share capital comprises 303,088,580 Morella Shares.

³ Ng Soon Kai is deemed to have an interest in the Morella Shares held by his spouse.

⁴ Tjia Marcel Han Liong is deemed to have an interest in the Morella Shares held by a company of which he is a sole shareholder and director.

Accordingly, Ng Soon Kai and Tjia Marcel Han Liong have abstained from participating in the deliberations of the Board in respect of the Placement.

- 6.2. No Directors' Service Contracts.** No person is proposed to be appointed to the Board as part of the Placement and no director's service contract is proposed to be entered into by the Company with any person in connection with the Placement.
- 6.3. Financial Effects.** The subscription of Morella Shares pursuant to the Placement is not expected to have any material impact on the net tangible assets per share and earnings per share of the Company for the financial year ending 31 December 2024.
- 6.4. Further Announcements.** The Company will make further announcements via SGXNet in relation to the Placement as appropriate or when there are material developments in respect of the same, including the announcement on its resultant aggregate shareholding in Morella after the completion of the Placement.

By Order of the Board of Directors of
INTERRA RESOURCES LIMITED

Ng Soon Kai
Executive Chairman

About Interra

Interra Resources Limited, a Singapore-incorporated company listed on SGX Mainboard, is engaged in the business of petroleum exploration and production (E&P). Our E&P activities include petroleum production, field development and exploration. We are venturing into renewable energy and we have recently announced an agreement to jointly develop a wood pellet manufacturing plant in Indonesia where we will hold a 40% interest and another agreement to jointly develop a 2-MW solar farm in Sabah. We have also been included by PT PLN Nusantara Power in their Long List for Strategic Partner for partnership in developing power plant projects in Indonesia from 18 March 2024 to 18 March 2026.

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