

To:

Ms Melinda Walley
Sydney Business Banking Centre
National Australia Bank Limited
225 George Street
Sydney NSW 2000
(NAB)

MORNING STAR GOLD NL ACN 003 312 721 (ADMINISTRATORS APPOINTED) NOTICE OF SEIZURE OF COLLATERAL — PERSONAL PROPERTY SECURITIES ACT 2009 (CPA) s 123

TAKE NOTICE that Chillee Limited a private company incorporated in the British Virgin Islands whose registered office is at Palm Grove House, PO Box 438, Road Town, Tortola, British Virgin Islands (**Secured Party**) holds a security interest in the Collateral granted by the Grantor pursuant to the Security that has been perfected by registration on the Personal Property Securities Register by registration number 201311290019107. The Grantor is presently in default under the Security and the Secured Party's Agents intend to exercise the Secured Party's right under the PPSA to seize the Collateral. A copy of the Deed of Appointment of Agents for Mortgagee in Possession is attached to this notice.

TAKE FURTHER NOTICE under s123 PPSA that the Secured Party's Agent is exercising the Secured Party's rights to seize the Collateral, including the moneys held in the Bank Accounts.

We direct NAB that the moneys held in the Bank Accounts are to be immediately withdrawn and deposited into the following control account:

Account Name: Morning Star Gold N.L. (Administrators Appointed) (Controllers Appointed)
BSB: 083-004
Account Number: 74-295-5578

Once this has been performed could you please provide notice of this to the Agents at the following address for notices:

Mr David John Winterbottom and Mark Stewart Uebergang

C/- Johnson Winter & Slattery

20 Bond Street

Sydney NSW 2000

Facsimile: (02) 8274 9500

Attention: Mr Gerard Breen

Email: gerard.breen@jws.com.au

In this notice:

- (a) **Agents** means David John Winterbottom and Mark Stewart Uebergang appointed as agents of the Secured Party pursuant to the notice served on the Grantor dated 21 December 2014;
- (b) **Bank Accounts** means the following accounts held with NAB:
 - MCO BizMaximiser A/C – 082-057 85-744-3484;

- MCO CHEQUE A/C – 082-067 03-990-2271;
- MCO-STG JV Cash Mgt A/c – 082-057 16-577-7598;
- Term Deposit 1 – 082-057 89-373-2072;
- Term Deposit 2 – 082-067 67-972-5736;
- Term Deposit 5073 – 082-057 89-686-5073;
- Term Deposit 8707 – 082-057 17-486-8707; and
- Term Deposit 9241 – 082-057 16-987-9241;

- (c) **Collateral** means all of the Grantor’s right, title and interest in and to all of its Personal Property, including but not limited to plant and equipment used by the Grantor in connection with Mining Licence No. 5009 (granted pursuant to Mineral Resources (Sustainable Development) Act 1990 (Vic));
- (d) **Grantor** means Morning Star Gold (NL) ACN 003 312 721 (Administrators Appointed);
- (e) **Personal Property** has the same meaning as in the PPSA;
- (f) **PPSA** means the Personal Property Securities Act 2009 (Cth) and any regulations made pursuant to it;
- (g) **Security** means the Security Interest granted over of all of the Grantor’s right, title and interest in and to all of its present and after acquired Personal Property included in the Second Interim Facility Agreement between the Grantor and Chillee Limited dated 18 November 2013; and
- (h) **Security Interest** has the same meaning as in the PPSA.

Dated 14 January 2015

Signed by the Agents for the Secured Party

Signed sealed and delivered by David John Winterbottom in the presence of

Kate Dunne

Signature of witness

← _____


David John Winterbottom

David John Winterbottom

Kate Dunne

Name of witness (print)

Signed sealed and delivered by Mark
Stewart Uebergang in the presence of

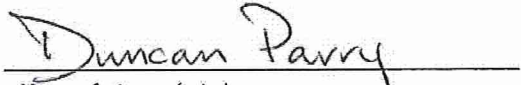


Signature of witness





Mark Stewart Uebergang



Name of witness (print)