

30 January 2015

To Shareholders,

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Sydney NSW 2000

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ASX NOTIFICATION

**RE: MORNING STAR GOLD N.L.
(ADMINISTRATORS APPOINTED)
(CONTROLLERS APPOINTED)
ABN: 34 003 312 721
(THE "COMPANY")**

As you are aware, We, Sule Arnautovic and Glenn Anthony Crisp of Jirsch Sutherland, were appointed as Joint and Several Administrators of the Company on 9 November 2014.

Further, on 21 December 2014, Mr David Winterbottom and Mr Mark Uebergang of Korda Mentha were appointed as Agents for the Mortgagee (Chillee Ltd) in Possession. At this stage, the Agents are looking to sell the assets and business of the Company and we are considering various options to recapitalise the Company by way of a Deed of Company Arrangement ("DOCA") or Creditors' Trust.

We advise the following:

1. There are a number of proposals from third parties for the recapitalisation of the Company by way of a DOCA or Creditors' Trust; and
2. The adjourned second meeting of creditors for the Company is scheduled to occur on 16 February 2015, at which time creditors will have an opportunity to vote on the abovementioned recapitalisation proposals (such proposals being subject to shareholders' approval).

Should you require any further information, please contact Ms Kathryn Gesilva of Jirsch Sutherland on (02) 9236 8333.

Yours faithfully,
MORNING STAR GOLD N.L.

SULE ARNAUTOVIC
Joint and Several Administrator