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Form 5011
Corporations Act 2001
s436E, 439A
Corporations Regulations 2001
5.6.11.(2), 5.6.27

Copy of minutes of meeting

Liquidator details

Registered liquidator number

273322

Registered liquidator name

SULE ARNAUTOVIC

Company details

Company name

MORNING STAR GOLD N.L.

003 312 721

Section under which minutes are lodged

Date of meeting

18-11-2014

Are the minutes being lodged for a meeting convened under s436E, or s439A of the Corporations Act 2001?

Yes

Authentication

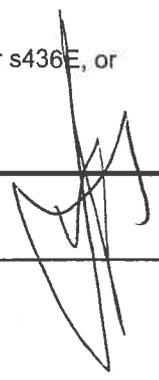
This form has been authenticated by

Name **SULE ARNAUTOVIC**

This form has been submitted by

Name

Date



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ANNEXURE "A"

MINUTES OF A MEETING OF CREDITORS OF MORNING STAR GOLD N.L. (ADMINISTRATORS APPOINTED) A.B.N.: 34 003 312 721 HELD PURSUANT TO SECTION 436E OF THE CORPORATIONS ACT 2001 AT THE OFFICES OF JIRSCH SUTHERLAND LEVEL 4, 55 HUNTER STREET, SYDNEY NSW 2000 ON TUESDAY, 18 NOVEMBER 2014 AT 10:00 AM.

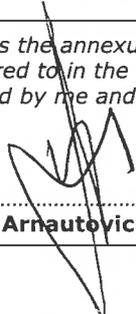
PRESENT

In Person: See attached attendance schedule

By Proxy: See attached attendance schedule

Observers: See attached attendance schedule

This is the annexure of 4 page(s) marked "A" referred to in the Form 5011 - Copy of Minutes signed by me and dated 18 November 2014.


.....
Sule Arnautovic

IN ATTENDANCE

Also in attendance were Sule Arnautovic, Amanda Arnautovic and Timothy Kelly of Jirsch Sutherland

INTRODUCTION

The chairperson advised that Mr Sule Arnautovic ("Mr Arnautovic") and Mr Glenn Anthony Crisp ("Mr Crisp") of Jirsch Sutherland were appointed as Joint & Several Administrators of the Company by its Directors, pursuant to Section 436A of the *Corporations Act 2001* on 9 November 2014.

APPOINTMENT OF CHAIRPERSON

Mr Arnautovic of Jirsch Sutherland was appointed Chairperson of the meeting pursuant to Regulation 5.6.17 of the *Corporations Act 2001*.

NOTICE OF MEETING

The chairperson advised that this meeting of creditors had been called in accordance with a Formal Report and Notice of Meeting of Creditors dated 10 November 2014 and issued pursuant to Section 436E of the *Corporations Act 2001*. The chairperson tabled this formal report and notice and the agenda of the meeting was duly noted.

The chairperson further advised that a Notice of the Meeting of Creditors was published on the Insolvency Notices website maintained by the Australian Securities and Investments Commission. A copy of this Notice was tabled by the chairperson.

DIRRI

The chairperson specifically tabled the Declaration of Independence, Relevant Relationships, Prior Engagements and Indemnities enclosed in the tabled formal report and notice of meeting dated 10 November 2014.

The chairperson noted that it came to the attention of the Administrators, on 11 November 2014, that RSM Bird Cameron ("RSM") provided accounting services to the Company (and is a creditor of the Company in the sum of \$6,820) in relation to statutory compliance with the Australian Taxation Office, Australian Securities Exchange and other statutory bodies.

The chairperson noted that Mr Crisp was a former partner at RSM, having left RSM in August 2012.

The chairperson further noted that Mr Crisp ceased being a partner of RSM over 24 months ago and that RSM did not act for the Company whilst Mr Crisp was a partner at RSM. Lastly Mr Crisp was not involved in any accounting services previously provided by RSM to the Company.

With consideration of the above information, the Administrators do not believe that the matters above create any risks to their independence.

A copy of the revised DIRRI is annexed to these meeting minutes.

QUORUM

The chairperson advised that pursuant to Regulation 5.6.16 of the *Corporations Act 2001* a quorum was present.

TIME AND PLACE OF THE MEETING

The chairperson determined that pursuant to Regulation 5.6.14 of the *Corporations Act 2001* that the meeting was being held at a time and place convenient to majority of the creditors entitled to receive notice of the meeting.

VOTING ON RESOLUTIONS

The chairperson advised that resolutions at the meeting would be decided on the voices unless a poll was demanded pursuant to Regulation 5.6.19 of the *Corporations Act 2001*.

CARRYING OF RESOLUTIONS (REGULATION 5.6.21)

The chairperson advised that where a poll is demanded, resolutions would only be carried if more than 50% of creditors (entitled to vote) in value and number vote in favour of the resolution. Where no result is reached (i.e. 50% in value but not number – or vice versa) the chairperson may exercise a casting vote to determine the relevant resolution.

CREDITORS ADMITTED TO VOTE

The chairperson reviewed and invited creditors to inspect the proxies and proofs of debt lodged at the meeting.

No creditors objected to any of the proxies and proofs of debt lodged.

The chairperson noted that in respect of Mr Zhaoqin Zeng's claim, it would only be admitted for \$1 at this meeting due to a formal proof of debt and proxy form not being received at this time.

The chairperson declared that pursuant to Regulation 5.6.23 of the *Corporations Act 2001* all creditors were entitled to vote on resolutions put to the meeting for the amount disclosed on the attendance schedule. It was noted that creditors are admitted for voting purposes only and adjudication of claims for dividend purposes would be completed in due course (if funds became available to pay a dividend to creditors). No creditors objected.

THE JOINT & SEVERAL ADMINISTRATORS' REPORT

The chairperson referred to the Report to Creditors dated 10 November 2014 and provided creditors in attendance with a brief outline of the circumstances leading to the appointment of the Joint & Several Administrators and an outline of the Administration Process.

The chairperson provided a detailed summary of the conduct of the Administration to date, together with a summary of the initial investigations into the assets, liabilities and financial circumstances of the Company which had been conducted to date.

DISCUSSION

The chairperson advised the meeting that since the appointment of the Administrators, they had dealt with the formalities of their appointment, assessed the Company's financial position, taken control of the assets of the Company and notified the Creditors of the Company in a timely manner.

The chairperson advised that to date, the Administrators had undertaken a significant amount of work and had assessed the short term future of the Company. The chairperson advised that the Administrators had been engaged due to a secured creditor calling in a large debt, which the Company was unable to repay.

The chairperson provided an initial outline of the strategy being adopted by the Administrators, which includes advertising the business and assets for sale in the Australian Financial Review. The chairperson noted that the Company had already received 10 to 15 enquiries from potential interested parties.

The chairperson advised that it is too early to predict whether the Company will be subsequently placed into Liquidation or whether it will result in a Deed of Company Arrangement/Creditors Trust.

The chairperson noted that due to the time of year the timetable for the sale process to occur may be amended depending on various mitigating circumstances; however the current initial dates would include expressions of interests to be submitted by the end of November 2014 and final offers to be submitted by 18 December 2014.

The chairperson advised that the Administrators would be issuing a Report to Creditors pursuant to Section 439A of the Corporations Act 2001 in the coming weeks; and that the Section 439A meeting would be held on or around 9 December 2014.

It is likely that the above meeting will be adjourned in order to finalise the sale.

A brief outline of the Company's assets was provided to the meeting; however the chairperson noted that the value of the assets has not yet been finalised.

The chairperson opened the meeting for questions. The following questions were put to the chairperson:

Mr Richard McMahon (Company Shareholder and observer) asked if the Rose of Denmark ("ROD") project had been reviewed. The chairperson noted that the site had been attended to by Jirsch Sutherland staff and the external asset valuer and was being taken into consideration.

Mr John Percival (Company Shareholder and observer) asked if this ROD project was subject to a Joint Venture with Shandong Tianye. The chairperson advised that the Company held a 49% share of the project while Shandong Tianye owned the remaining 51%. The chairperson also noted that Shandong Tianye is believed to be a debtor to the Company in the amount of \$242,000.

APPOINTMENT OF JOINT AND SEVERAL ADMINISTRATORS

The Chairperson advised that Section 436E of the *Corporations Act* 2001 allowed creditors by resolution to remove the Joint & Several Administrators from office and appoint someone else as Administrators.

The Chairman advised that he had not received any other nominations for appointment as Administrators of the Company.

As there were no nominations received, the chairperson announced that Sule Arnautovic and Glenn Anthony Crisp of Jirsch Sutherland remain as Joint & Several Administrators of the Company.

COMMITTEE OF CREDITORS

The following creditors were nominated to act as members of the Creditors Committee at the meeting:

Name of Creditor
Chillee Limited
Yarandi Investments Pty Limited
Edrill Pty Ltd
Nick Garling

The motion is that: -

"A creditors' committee be appointed consisting of 4 members being Chillee Limited, Yarandi Investments Pty Limited, Edrill Pty Ltd and Nick Garling".

Moved by: The chairperson as general proxy for Brunner and Lay

Abstained: Nil

Against: Nil

Resolution: Carried Unanimously

CLOSURE OF THE MEETING

There being no further business, the chairperson thanked those present for attending and declared the meeting closed at 10.30am.

Signed as a true and correct record

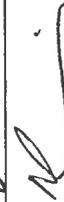
Dated this 2nd November 2014

.....
SULE ARNAUTOVIC
CHAIRPERSON AND JOINT & SEVERAL ADMINISTRATOR

Attendance Register

**Meeting Attendance Register - Creditors
Morning Star Gold N.L. (Administrators Appointed)**

First Meeting of Creditors held at Jirsch Sutherland, Level 4, 55 Hunter Street, Sydney NSW 2000 on Tuesday, 18 November 2014 at 10:00 AM
Chairperson: Sule Arnautovic
All Creditors

Creditor Name	Name of Proxy or Attorney	Creditor RATA Amount	Creditor Claimed Amount	Admitted to Vote for	Signature of Person Attending
Adrian Cummins Surveyors		900.00	900.00	0.00	
AIS Delatite Steel & Engineering Supplies		7,000.00		0.00	
ASX Operations Pty Ltd		5,512.06	5,512.06	5,512.06	
B&H Prothero	Nick Garling	0.00	774.00	774	
Bluescope Distribution Pty Ltd				0.00	
BOC Gases		159.02	159.02	0.00	
Brunner & Lay	Chairperson	8,213.63	8,213.63	8,213.63	
Capital Finance Australia Limited				0.00	
Chillie Limited	ROSS & SYMON	3,029,306.22	3,219,034.97	3,219,034.97	
Commercial Hotel	Nick Garling		870	870	
Computershare Investor Services		240.00		0.00	
Department of State Development, Business and Innovation		20,059.00		0.00	
Deputy Commissioner of Taxation		76,073.00	76,073.00	0.00	
Ecowise Environmental		2,000.00	2,000.00	0.00	
Edrill Pty Ltd	Richard Weloverys Matthew Wallace/R-G-Udevenya	0.00	1,518,835.01	1,518,835.01	By telephone
Energy Australia		55,650.00		0.00	
Garling, Nicholas Mark (Mr)	In person	9,000.00	9,000.00	9,000.00	

Creditor Name	Name of Proxy or Attorney	Creditor RATA Amount	Creditor Claimed Amount	Admitted to Vote for	Signature of Person Attending
Goulburn Valley Water		141.00		0.00	
Graklenlea Services T/A Mountains of Gold	Nick Garling	0.00	807.00	807	
Jackson, Peter Gilbert (Mr)	Nicholas Garling	18,000.00	27,000.00	27,000	
Jennmar Australia				0.00	
Laidlaw, Noel Robert (Mr)	Nick Garling	27,000.00	42,000.00	42,000.00	
Lisa Scott				0.00	
Mansfield Shire		1,900.00	1,900.00	0.00	
Media Temple Pty Ltd		71.61		0.00	
Metal Manufacturers Ltd (*NO CLAIM*)				0.00	
Motlokhov, Alexei (Mr)				0.00	
NAB		20,034.47		0.00	
Office of State Revenue (NSW)		3,100.00	3,499.68	3,499.68	
Reece Collins Security	Nick Garling	4,000.00	3,810.00	3,810.00	
RSM Bird Cameron Partners		6,820.00	6,820.00	0.00	
Sandvik Mining and Construction Australia Pty Ltd				0.00	
State Revenue Office (VIC)				0.00	
Telstra - 3367570800		6,158.10		0.00	
Thomson Geer Solicitors	Ben Cosentino/Katherine Jones	0.00	7,309.87	7,309.87	
Thomson Lawyers		2,000.00	2,000.00	0.00	
Woods Point Gun Club		500.00		0.00	

Observers Register

**Meeting Attendance Register - Observers
Morning Star Gold N.L. (Administrators Appointed)**

First Meeting of Creditors held at Jirsch Sutherland, Level 4, 55 Hunter Street, Sydney NSW 2000 on Tuesday, 18 November 2014 at 10:00 AM
Chairperson: Sule Arnautovic

Name of Observer	Signature of Person Attending
Richard Davenport	By Telephone
Stephanie Carmichael	
JONAS BRAUNER - GONOSMACH LTD.	
ROBERT JACOBARD JACONS PTLTD.	
RICHARD McMAHON	
Matthew Wallace	By Telephone

Revised DIRRI

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS, PRIOR ENGAGEMENTS AND INDEMNITIES

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

This document must be read in conjunction with our Declaration of Independence, Relevant Relationships, Prior Engagements and Indemnities dated 10 November 2014.

This document is required as Practitioners appointed to an insolvent entity need to make declarations as to:

- A. their independence generally;
- B. relationships, including:
 - i the circumstances of the appointment;
 - ii any relationships with the Company and relevant others within the previous 24 months;
 - iii any prior professional services for the Company within the previous 24 months;
 - iv. that there are no other relationships to declare; and
- C. any indemnities given, or up-front payments made, to the Practitioner(s).

This declaration is made in respect of the Joint & Several Administrators of the Company, our partners, and Jirsch Sutherland.

This Declaration is being made in accordance with Section 436DA and 60(1) of the *Corporations Act 2001* and Sections 6.4, 6.17.1 and 22.1 of the Australian Restructuring Insolvency & Turnaround Association ("ARITA") Code.

A. INDEPENDENCE

We, Mr Sule Arnautovic ("Mr Arnautovic") and Mr Glenn Anthony Crisp ("Mr Crisp") of Jirsch Sutherland, have undertaken a proper assessment of the risks to our independence prior to accepting our appointment as Joint & Several Administrators of the Company.

Subject to what is disclosed below, this assessment identified no real potential risks to our independence and we are not aware of any reasons that would prevent us from accepting this appointment.

We have directed a practice wide conflict search to be undertaken and we have not been advised by any partner or staff member of Jirsch Sutherland of any existing or prior relationship with the Company.

B. DECLARATION OF RELEVANT RELATIONSHIPS

i. Circumstances of Appointment

We advise that the Company was referred to Jirsch Sutherland by Mr Peter Hegarty ("Mr Hegarty"), a partner of Thomson Geer Lawyers ("TG").

From time to time, Jirsch Sutherland has received work referrals from TG. However, Jirsch Sutherland is not dependent on these work referrals in number or revenue. From time to time, TG has provided legal services for Jirsch Sutherland. Any prior services rendered or work referrals between TG and Jirsch Sutherland have not been in relation to the Company.

Mr Arnautovic had an initial brief conversation with Mr Hegarty on 20 October 2014 in relation to the Company's affairs.

We were then approached by TG to provide appointment documentation and consents to act in this matter on 7 November 2014. On this day, Mr Hegarty provided Mr Arnautovic with a high-level explanation of the Company's financial position which included an explanation of some of the financial issues the Company was having with Chillee Limited, a major creditor of the Company.

Mr Hegarty also provided us with a copy of the resignation as director of Mr Alexei Motlokhov effective 5 November 2014.

We have not had any meetings or phone conversations with any of the current directors of the Company, in respect to the proposed administration of the Company, prior to our appointment on 9 November 2014.

We also note that some internet searches were completed prior to our appointment for the purpose of obtaining background information with regard to the Company.

The above noted pre-appointment work and discussions were for the purposes of:

1. Obtaining sufficient background information about the Company;
2. To clarify and explain to the Directors (via TG) the various options available to the Company and the nature and consequences of an insolvency appointment; and
3. For us to consent to act in this regard.

We confirm that neither we nor Jirsch Sutherland have charged for or received any payment of fees or expenses in regard to the above-mentioned pre-appointment work.

We believe that the above pre-appointment work does not result in a conflict to our appointment as Administrators of the Company as:

- We are not prohibited by law or by the ARITA code from accepting the appointment. The Courts and the ARITA's Code of Professional Practice specifically recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or is an impediment to accepting an appointment. Further, the nature of the advice provided is such that it would not be subject to review and challenge during the course of the matter.
- We are independent. The advice provided prior to our appointment will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the work to be carried out on the matter in an objective and impartial manner.
- It is our view that a reasonable and informed third party would, based on the information available to us at the time, not form the view that a conflict arose.

We have provided no other information or advice to the Company or its directors prior to our appointment beyond that outlined in this DIRRI.

Finally, we confirm that we advised the Directors of the Company (via TG) to seek independent professional advice as to their own personal position as a result of the administration of the Company.

ii. Relevant Relationships (excluding Professional Services to the Insolvent)

Other than what is disclosed at "*Circumstances of appointment and referral source*" above, within the preceding 24 months of our appointment the following professional and/or personal relationships between Jirsch Sutherland and the Company existed:

Whom	Nature of relationship	Reason why not an impediment or conflict
Company Morning Star Gold N.L. (Administrators Appointed)	Jirsch Sutherland has never formally acted for the Company prior to this matter.	There have been no known previous dealings with the Company.
Current Directors <ul style="list-style-type: none"> • Nicholas Mark Garling • Peter Gilbert Jackson • Zhaoqin Zeng • Noel Robert Laidlaw 	Jirsch Sutherland has never formally acted for the current directors of the Company.	There have been no known previous dealings with current directors.
Previous Directors / Secretaries <ul style="list-style-type: none"> • Jeffrey Wayne Williams • Alexei Motlokhov • Peter Gordon Hepburn Brown • Max Michael Garling • Malcolm Harvey Bird 	Jirsch Sutherland has never formally acted for the former directors of the Company.	There have been no known previous dealings with the former directors.

Whom	Nature of relationship	Reason why not an impediment or conflict
<ul style="list-style-type: none"> • Timothy Richard Allen • Warren John Staude • Lincoln De Siou McClatchie • Geoffrey Stephen Gemell • Arthur John Reynolds • Julian Reynolds • Natasha Sever • Peter Frederick Harrowsmith • Maxwell James Davis 		
<p>Current/Past Shareholders</p> <p>The Company is a Public Company</p>	<p>We are not aware of any circumstances where Jirsch Sutherland has formally acted for any of the current or former shareholders of the Company.</p>	<p>There have been no known previous dealings with the current or previous shareholders of the Company.</p>
<p>Former Auditor</p> <ul style="list-style-type: none"> • Cowell Abbott 	<p>Jirsch Sutherland has never formally acted for the former auditor of the Company.</p> <p>The former auditor of the Company has never formally acted for Jirsch Sutherland.</p>	<p>There have been no known previous dealings with the former auditor of the Company.</p>
<p>Current Security Interest Holders (ALL PAP, No</p>		

Whom	Nature of relationship	Reason why not an impediment or conflict
Exceptions) <ul style="list-style-type: none"> • Chillee Ltd 	Jirsch Sutherland has never formally acted for Chillee Ltd.	There have been no known previous dealings with Chillee Ltd.
Current Security Interest Holders (Other Goods - Not ALL PAP) <ul style="list-style-type: none"> • Bluescope Distribution Pty Ltd • Capital Finance Australia Ltd • Jennmar Australia Pty Ltd • Sandvik Mining & Construction Australia Pty Ltd • Metal Manufactures Ltd 	<p>We are not aware of Jirsch Sutherland having ever formally acted for noted Security Interest Holders.</p> <p>Jirsch Sutherland may have had previous business dealings with the noted Security Interest Holders in respect to other insolvency appointments.</p>	None of the previous dealings with the noted Security Interest Holders have been in relation to the Company.
Accounting Services Provider <ul style="list-style-type: none"> • RSM Bird Cameron ("RSM") 	<p>It came to our attention on 11 November 2014 that RSM provides accounting services to the Company (and is a creditor of the company in the sum of \$6,820) in relation to statutory compliance with the Australian Taxation Office, Australian Securities Exchange and other statutory bodies.</p> <p>Mr Crisp was a former partner at RSM, having left RSM in August 2012.</p>	<p>Mr Crisp ceased being a partner with RSM over 24 months ago.</p> <p>RSM did not act for the Company whilst Mr Crisp was a partner at RSM.</p> <p>Mr Crisp was not involved in any accounting services previously provided by RSM to the Company.</p>
Former insolvency practitioners	N/A	N/A

We are not aware of any other prior professional/personal relationships or prior engagements that should be disclosed.

iii. Prior Professional Services to the Insolvent

Neither we nor Jirsch Sutherland have provided any professional services to the Company in the previous 24 months apart from that stated above.

iv. No other Relevant Relationships to Disclose

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with the Company, an associate of the Company or any person or entity that has security over the whole or substantially whole of the property of the Company that should be disclosed apart from that stated above.

C. INDEMNITIES AND UP-FRONT PAYMENTS

We have not been indemnified by any party in relation to this administration, other than any indemnities that we may be entitled to under statute.

Independence

Our independence is a serious matter. Not only should someone in our position be independent in fact but must be seen or perceived as independent. An insolvency practitioner must not accept an appointment or continue to act under an existing appointment if a reasonable and informed third party, on the information available, might reasonably form the opinion that the insolvency practitioner might not bring an independent mind to the conduct of the administration and thus might not be impartial or may, in fact act with bias.

In this respect we welcome any enquiries from all stakeholders as to our independence.

Dated this 18th day of November 2014



SULE ARNAUTOVIC
Joint & Several Administrator



GLENN ANTHONY CRISP
Joint & Several Administrator

Notes:-

- 1. If circumstances change, or new information is identified, we are required under the Corporations Act 2001 and our Code of Professional Practice to update this Declaration and provide a copy to creditors with our next communication as well as table a copy of any replacement declaration at the next meeting of the Company's creditors.*
- 2. Any relationships, indemnities or up-front payments disclosed in the DIRRI must not be such that the Practitioner(s) is no longer independent. The purpose of components B and C of the DIRRI is to disclose relationships that, while they do not result in the Practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the Practitioner nevertheless remains independent.*