

Thursday, 3 December 2009

HIGH GRADE ASSAYS AND COARSE VISIBLE GOLD AT MAXWELLS

Key Points

- **Coarse Visible Gold encountered at Maxwell Reef ~255m from surface**
- **Assays up to 137.4g/t Au in Maxwell's development drive**
- **Maxwell Reef is up 600mm in width and is consistent in appearance with the high grade reefs historically mined at the Morning Star mine**
- **The assays validate high grade diamond-drilling results (up to 1,392 g/t) returned in 2008**

Morning Star Gold NL (ASX: MCO) is pleased to advise that it has received some very encouraging results in the early stages of its gold mining program at the Morning Star mine northeast of Melbourne.

Recent sampling of the Maxwell development drive has returned a number of high grade results (up to 137.4 g/t Au) validating results from the 2008 Maxwell diamond drilling program, where the highest grade intercept was 1,392 g/t Au.

In addition to the high grade assay results visible gold has been found in the development heading and in the blasted ore.

To date 25 samples have been collected from the Maxwell drive, and 11 of these samples have been collected from inside the delineated Maxwell ore zone (see plan below).

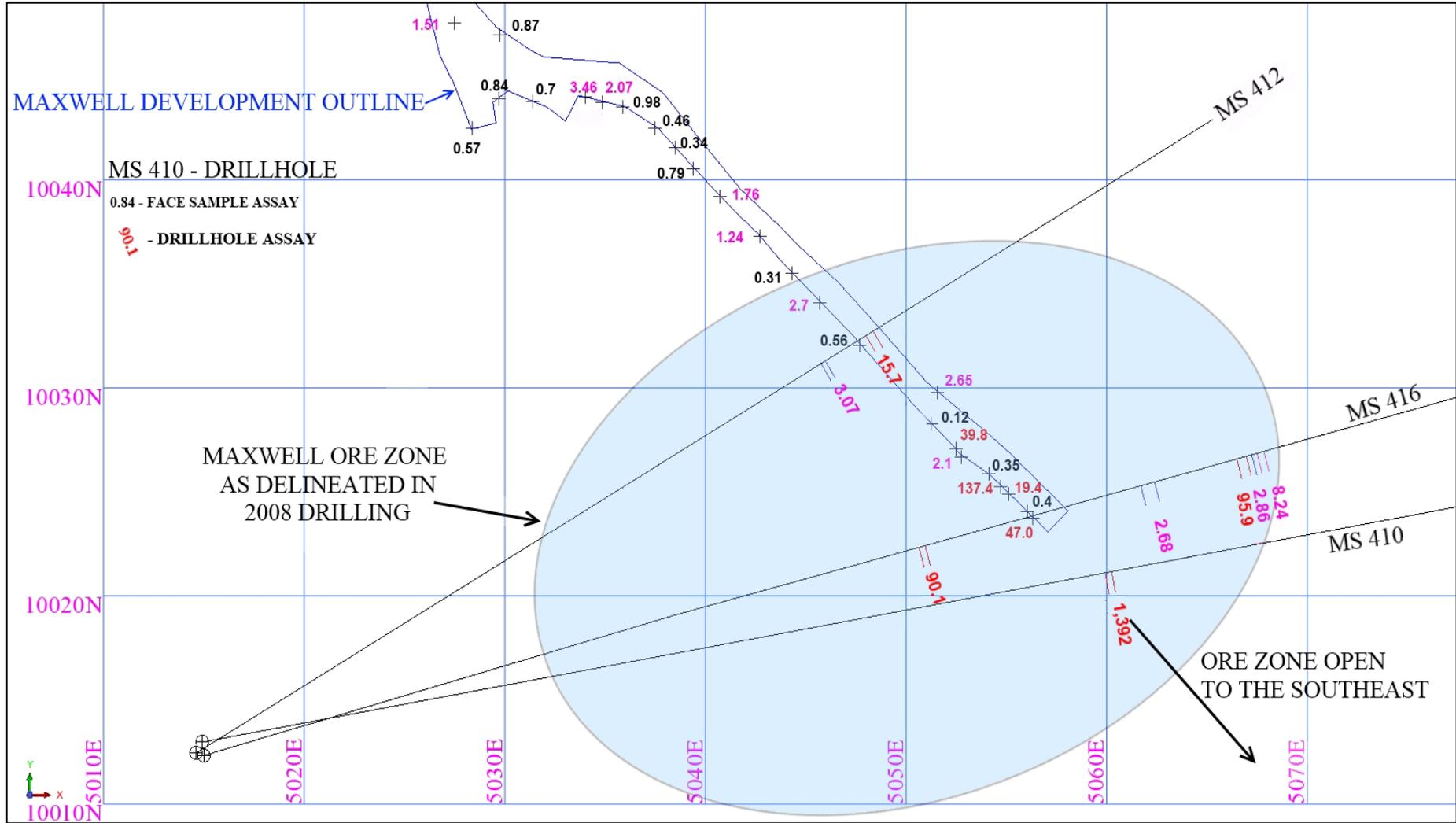
Targeted sampling of the Maxwell quartz reef material along the entire length of the development drive averages 10.77 g/t Au, while the reef samples from inside the Maxwell ore zone (as marked in blue on the plan below) average 22.95 g/t Au. Both averages exclude 2008 drill hole assays.

The Maxwell reef within the delineated area, ranges in thickness between 150mm and 500mm and displays a laminated appearance, which is commonly found in the higher grade reefs at Morning Star.

Previous sampling of the altered dyke surrounding high grade reefs at Morning Star has found that there is a significant grade halo carrying low to medium levels of gold.

MCO intends to screen the Maxwell development ore prior to treatment to separate the rock into waste, medium grade altered dyke material and high grade reef prior to processing.

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Plan of Maxwell Development & Sampling

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Maxwell Reef ~10-15m from high grade assays & coarse visible gold

MCO plans to continue the Maxwell development drive past drill hole MS410 to test the extent of the Maxwell ore zone to the southeast where the reef is still open along strike.

This area will be sampled and mapped to determine the outer edge of the Maxwell ore zone and to assist in stope delineation.

MD Comments

MCO's Managing Director, Nick Garling said, "The grades now coming out of Maxwell's Reef confirm why it's a reef we believe can be mined profitably. The Maxwell reef is thickening and rising in grade as we head along the eastern contact towards the southeast where it is still open along strike.

We are delighted with progress overall at the Morning Star mine and will shortly inform the market on the agreed cost and throughput of our proposed onsite gravity processing facility."

About Morning Star Gold

Morning Star Gold <ASX: MCO> is 100% owner and manager of the Woods Point Gold Project in Victoria's historic eastern gold fields. The company's tenements are adjoining over ~220km² and yielded ~2 million ounces of gold historically from various high-grade mines in close proximity to Woods Point.

Nearly half of this production was sourced from the Morning Star mine, which was mined for around a million tonnes of ore at just under an ounce to the tonne for a recorded production of 883,000 ounces of gold.

The Morning Star mine also carries an in situ gold resource, estimated in 2008 to exceed 900,000ozs.

Forward Looking Statements

This document includes statements and information pertaining to Morning Star Gold's expectations and beliefs concerning future events. Forward risks, uncertainties and other factors, many of which are outside the control of Morning Star Gold can cause actual results to differ materially from such statements. Morning Star Gold makes no undertaking to subsequently update or revise such statements but has made every endeavour to ensure that they are accurate at the time of release.

Competent Persons Statement

The information contained in this report was compiled Greg Curnow BSc MAUSIMM who has the relevant experience in relation to the mineralisation being reported on, to qualify as a Competent Person as defined in the 2004 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Greg Curnow works as a contractor to Morning Star Gold NL and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.