



MARKET RELEASE

12 June 2012

Morning Star Gold N.L.

SUSPENSION FROM OFFICIAL QUOTATION

The securities of Morning Star Gold N.L. (the "Company") will be suspended from quotation immediately, at the request of the Company, pending the release of an announcement in relation to capital raising plans.

Security Code: MCO

A handwritten signature in black ink, appearing to read 'Elvis Onyura', is written over a circular stamp that contains a grid pattern.

Elvis Onyura
Adviser, Listings (Sydney)

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Mr Elvis Onyura
ASX Companies Officer
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12th June 2012

Dear Sir,

RE: VOLUNTARY SUSPENSION REQUEST (In accordance with Listing Rule 17.1)

Further to the trading halt requested on 7th June 2012, the Board of Morning Star Gold NL ("MCO" or "Company") requests a voluntary suspension of the trading of its securities.

On 15 March 2012, the Company announced its largest shareholder had agreed to provide a term loan facility of \$10 Million in order to advance exploration and production at its projects near Melbourne. As advised this facility was unilaterally withdrawn on 7th June and as a result, MCO intends to undertake capital raising to strengthen its balance sheet and increase its financial flexibility to progress its exploration, mining & development plans.

To ensure compliance with Listing Rules 3.1, 3.1A & 3.1B (Continuous Disclosure), the Company expects at this point that it will require the voluntary suspension for up to 5 trading days as it believes that trading in its securities cannot occur on a reasonably informed basis until its capital raising plans are announced.

MCO advises that;

- it is seeking the voluntary suspension for five (5) trading days until Tuesday 19th June 2012.
- the event the Company expects will end the voluntary suspension is an announcement by MCO relating to capital raising plans;
- it is not aware of any reason why the request for the extension of the voluntary suspension should not be granted and;
- it is not aware of any other information necessary to inform the market about the suspension.

Yours sincerely,

Natasha Sever
Company Secretary
(on behalf of the Board of Morning Star Gold NL)

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 goldfields close to Melbourne. MCO controls Five Mining Licences (MINs) and One Exploration Licence (EL) which are adjoining over ~200km². Two of the MINs are recent applications which have received 'priority' for grant. These are MIN 5560 at the Wallaby Mine west of Raspberry Point and MIN 5562 at the El Dorado Mine in the same area near Lyrebird Creek. MCO's current tenements yielded ~2 million ounces of gold production from various mines averaging nearly 1oz/T Au. Nearly half of this production was sourced from the Morning Star Goldmine (883Kozs @ 26g/t Au.). Only three mines in the goldfield were mined to any significant depth and 100's of surface targets (mostly mafic/gabbro dykes) are recognised either from past production or mapping and sampling by MCO. At one point in the early 1940s, the Morning Star Goldmine was Australia's biggest mine. Western Mining (WMC Ltd) operated it for 25 years (1934-1959). The Morning Star Goldmine also carries a JORC inferred resource of 910,000ozs (U/G resource portion is 2MT @ 11.2g/t). Much of this resource is currently under the water table and MCO intends using diamond drilling over 2012-14 to verify the resource and increase confidence in it.

Production has recommenced at the Morning Star Goldmine for the first time in nearly 50 years. The rate of production is budgeted to increase over 2012-13 and MCO infrastructure allows for up to 80KTPA throughput at its onsite gravity processing plant (GPP) via its new high-speed hoist set-up.

Other gold production mines on MCO's tenements were generally constrained in relatively shallow workings in the near surface or 'weathered zone' and above the water table. Key current targets for new exploration and development include the Wallaby, Loch Fyne, Rose of Denmark, Hunts, Waverly, Little Comet, El Dorado, Reliance & All Nations mines. These mines historically produced ~500,000 ounces of gold at grades ranging 8g/t to 40g/t Au.

MCO has a current JV with the Shandong Tianye Group of China – a well-capitalised publicly listed conglomerate who agreed to spend \$4.5M over 2011-12 to farm-in to 51% of two of MCO's regional licences (MINs 5299 & 5241). The Morning Star Goldmine (MIN 5009) and various other priority production targets such as Wallaby (MIN 5560) are 100% owned by MCO, separate to the JV. MCO also has minority positions in two JVs on gold prospects in the Central West of NSW.

For further information please subscribe to E-Alerts of all Morning Star's news & ASX Releases at the company's website.

You can also connect with Morning Star on Twitter, Facebook and in hundreds of regularly updated project pictures on the web via Flickr at: www.flickr.com/photos/morningstargold/

Forward Looking Statements

This report may include 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. All envisaged mining & exploration works herein are subject to appropriate regulatory approvals. Morning Star Gold makes no undertaking to subsequently update or revise such statements but has made every endeavour to ensure that they are wholly accurate at the time of publication.