

# New gravity treatment plant set to put Morning Star on the map

There are some facts about diminutive east Victorian gold producer Morning Star Gold NL (ASX: MCO), which are complete showstoppers.

883,000 ounces at grades approaching an ounce per tonne is enticing as is a JORC resource of 910KOZ. But these facts are often overshadowed by negative Victorian gold stories such as Lihir's troubles at Ballarat.

"Who are they?" is often the question asked about Morning Star Gold as they have tended to go quietly about their business of refurbishing their namesake mine at Woods Point, 120kms northeast of Melbourne. The Morning Star mine sits smack in the middle of Victoria's second largest hard rock goldfield (6+Mozs) behind the 22Mozs won in the famous Golden Triangle of Bendigo-Ballarat-Castlemaine.

MCO's 100% owned and operated Morning Star Mine was once Australia's premier gold mine run by WMC Ltd (1934-59). Low gold prices of \$35 an ounce saw the Morning Star mine

closed, notwithstanding a prodigious 27 tonnes of gold was won at depths from surface to 940 metres underground. In the 35 years post WMC, the scale of the old workings was too much for anyone to finance until MCO started chipping away in 1993, spending \$20M or more to date on the project, which also includes 220km<sup>2</sup> prime mining & exploration titles surrounding Woods Point.

For MCO, a 2007 change in management, the appointment of a new and experienced technical team last year, significant new equity capital funding of \$12.3M after a successful recent options expiry this March and a major strategy rethink, targeting near term gold production, sees the company at a very exciting juncture – that of Australia's newest gold producer.

You could say production has come at just the right time too with a perfect storm forming, consisting of rapidly

rising Aussie dollar gold prices, and the current construction & commissioning of the company's new 80KTPA gravity gold separation plant built by Gekko. MCO is primed for H2 2010 gold production and a slew of assays over the past few years point to plenty of high-grade ore in the mine.

Morning Star's managing director Nick Garling (who owns 17% of the stock), puts it this way; "the construction and commissioning of our \$3M Gekko gravity plant is the most significant investment MCO has ever made." He added, "we are developing four initial stopes to feed the mill but have already stockpiled onsite ~10,000 tonnes of development and reef ore to get us off to a flying start".

The company is targeting 12-15 grams per tonne as an average head grade. Morning Star is one to watch as it aims to become a low cost high-grade gold producer.



Morning Star Gold is taking delivery of its new 80KTPA gravity gold plant