

All systems go for gravity gold at Morning Star in Woods Point VIC.

Morning Star Gold NL (ASX: MCO) has received its long awaited, crucial final regulatory approval for the building, commissioning and operation of its brand new 80,000 Tonnes per Annum Gravity Mill. This onsite mill will turn the once 'penny-dreadful' explorer into Australia's newest high-grade gold producer.

With over 10,000 tonnes of ores already stockpiled beside the mill site and a proud historical production record for their 100% owned and operated eastern Victorian mine in Woods Point, the future looks very bright indeed for Morning Star. Nearly 1Moz of gold was won at the mine from just over 1MT of ore mined since 1861. WMC operated the mine for much of its heyday (post the initial gold rushes), between 1934 and 1959. It was WMC's flagship mine in the east.

MCO has gone quietly about its business of refurbishing junior gold's best-kept secret since 2003, deciding to ready the mine for production after a stunning channel and reconnaissance-sampling program over 2007-8, where over 250 reef samples taken from shallow areas of the mine, averaged over 78 g/t Au. Many samples were several hundreds of grams to the tonne. The Morning Star mine sits smack in the middle of Victoria's second largest hard rock goldfield (6+Mozs production) behind the Golden Triangle's prodigious 22Mozs. The famous gold town of Walhalla is nearby.

Low gold prices of \$35 an ounce saw



Civil works in preparation for Morning Star's onsite 80ktpa Gravity Mill.

the Morning Star mine closed by WMC in 1959, notwithstanding a hefty 27 tonnes of gold having been won at depths to 740 metres underground. MCO has patiently spent around \$25M reopening the mine. Morning Star's tenements also include 220km² prime mining & exploration titles surrounding Woods Point, with many old mines, which historically were worked only close to surface, waiting to be

reexamined.

A return to production has come at just the right time too with high Aussie dollar gold prices coinciding with the completion of MCO's new onsite 80KTPA gravity gold mill. MCO's Executive Chairman Nick Garling said, "our company decided to invest strongly into production, and the recent commissioning of our \$4M purpose built modular mill (built by Gekko Ballarat), is the most significant investment MCO has ever made. The time to produce gold is right now and we have invested strongly in the future."

The company is targeting 12-15 grams per tonne as an average head grade. It plans to expand its ore sources via aggressive regional exploration of similar iron rich dyke structures in the goldfield, many of which were not worked beyond the shallow weathered zone. A recent \$12M investment into MCO by a large Chinese conglomerate Shandong Tianye Group Ltd will pump-prime the regional exploration and resource identification program. Morning Star is one to watch as it aims to become a low cost high-grade gold producer.



Director of Geology Dr Peter Jackson and Executive Chairman Nick Garling of MCO.