

ASX Release

Friday, 13 March 2009

HALF YEARLY FINANCIALS – 31ST DEC 2008

Dear Fellow Shareholders,

Please find an audited and signed copy of our financial statements for the half-year period ending 31st December 2008, released today on the ASX portal.

As previously reported to you, the overall markets environment has been challenging but we are very confident in our primary steps towards becoming a gold producer this year. The stronger Australian Dollar gold price has been heartening, as have our two successful capital raisings via a placement of shares and our recently completed rights issue of options.

Morning Star has been assessing the best and most profitable way forward and a number of initiatives have occurred so far this year:

1. The company has appointed Peter Hepburn-Brown in the role of Technical Director. Peter will oversee all operational aspects of getting the Morning Star mine and surrounding potential ore sources into production. Peter holds a Bachelor of Science in Mining Engineering and a Graduate Diploma in Human Resources. He holds First Class Mining Certificates in Western Australia, Victoria and Queensland and has over 25 years of diversified mining industry experience from greenfields right through to production. Peter has worked for large-scale gold producers including WMC, Harmony, Niugini Mining, Great Central Mines and St Barbara on a plethora of very successful gold projects such as Bronzewing, Jundee and Leonora. We are delighted to have someone of Peter's experience and reputation on board with us.
2. Under the supervision of our head geologist Dr Peter Jackson, Morning Star has appointed an experienced geological consulting team, in order to review and validate currently known geological data and to provide geological services to the company on a needs basis going forwards.
3. Preliminary feasibility and costing work has commenced on a stand-alone treatment plant for the Morning Star mine. We expect this preliminary feasibility work to be completed early in Q2 2009.

4. Planning works have commenced on a 5-year mine plan to build out the Woods Point Gold Project further into our preferred multi ore source, single processing hub. The conceptual mining plan is based around treating at least 150,000 tonnes per annum at the Morning Star mine site or very near by.
5. Exploration planning on the Waverly and All Nations dyke structures is continuing and further geological study, will be followed by planning of upcoming drill holes.
6. Mapping and Sampling is taking place on MIN5299 (Dempsey, Rose of Denmark & Hunts Dykes), in order to better understand the mineralisation potential of these structures. In addition to this, rehabilitation of the access to historic underground workings is being undertaken as a result of the December 2006 bushfires. Significant clean up works from 2006 bushfire damaged areas of the Dempsey Mine and mill near Gaffney's Creek are scheduled imminently.
7. Detailed geological work is also ongoing on other areas of our Exploration Licences, notably work within EL5079 near Gaffney's Creek and also Matlock.

Morning Star and the town of Woods Point were fortunate to not be directly affected by the recent devastating bushfires near Melbourne. Whilst our assets have not been compromised, several of our local operatives have served with distinction in the local CFA and we commend these people for the assistance given. The devastated areas in and around Marysville, Buxton and Narbethong are close to Woods Point and we have been very lucky. Operations halted in the peak fire risk periods but have now recommenced. Our sincere sympathies extend to those so badly affected by the fires.

Yours Sincerely,
Nick Garling
MD / CEO
Morning Star Gold NL

For more information on Morning Star Gold, please visit our website at:
www.morningstargold.com.au Or contact us at info@morningstargold.com.au

E-Alerts can be subscribed to at: http://www.morningstargold.com.au/e_alert/e_alert.phtml

Forward Looking Statements

This information 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 presentation.