



Level 4, 20 Loftus Street Sydney NSW 2000

Monday, December 22, 2008

31st DECEMBER 2008 LISTED OPTIONS EXPIRATION <ASX: MCOOA>

Dear Option Holder,

Reminder of Expiry of 31st December 2008 Listed Options <ASX CODE: MCOOA>

MCOOA Options series issued by Morning Star Gold NL are due to expire on 31st December 2008. The 22nd December 2008 will be the final day for quotation of these options. It is worth noting that these options are "out of the money" and as such the exercise price of the MCOOA options is at a higher price than the current quotation of the underlying securities (MCO).

Each individual MCOOA holder has been notified in writing of their options in relation to this expiry but in general terms on the public record and in accordance with the ASX Listing Rules the Company advises as follows:

1. The latest date for the exercise of the options and for payment of the exercise price is 31st December 2008;
2. The exercise price of the options is 25 cents per option;
3. The consequence of non-payment of the exercise price is that the options will lapse;
4. The last quoted market price of the underlying securities (MCO) at close of trade on Friday 19th December 2008 was \$0.12; and
5. The highest and lowest market of the underlying securities (MCO) during the three months prior to 19th December 2008 is set out below:

Highest: 21 cents per share on 24th September 2008

Lowest: 8.5 cents per share on 20th November 2008.

To convert your options to shares in the Company, Option Holders must complete the attached "Notice of Exercise of Options Expiring 31st DECEMBER 2008" form in full, sign it and send to the Company's share registry with the appropriate remittance amount by cheque made payable to MORNING STAR GOLD NL and crossed "not negotiable".

The Notice of Exercise of Options Expiring 31st DECEMBER 2008 must be sent to the Company's share registry before close of business 5.00 p.m. (Eastern Standard Time) 31st December 2008.

The Company's share registry postal address is:

**Computershare Investor Services
Yarra Falls, 452 Johnston Street
Abbotsford VIC 3067**