

ASX RELEASE

26th February 2009

Rights Issue of Options Successfully Completed

Morning Star Gold (ASX: MCO) is pleased to announce that its Non-Renounceable 1:1 Pro-Rata Rights Issue of Options pursuant to the Prospectus dated 19th January 2009 closed on 23rd February 2009.

Acceptances totalled 113,195,386 options. Acceptances constitute 91.45% of the 123,779,734 options offered under the Prospectus.

Under subscriptions totalling 10,584,348 options constitute the shortfall and have been placed by directors in accordance with the Listing Rules and the Prospectus.

Confirmation of allotment and dispatch of the options will be advised to the ASX and option holders on the 3rd March 2009. Normal T+3 trading will resume the day following this allotment confirmation.

The newly issued options (ASX: MCOOB) expire on 31st March 2010 and are exercisable at 10c, any time up until their expiry date.

Yours Sincerely
Max M Garling
Executive Chairman

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 on our website.

Forward Looking Statements

This presentation 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.