

Morning Star lights up

Friday, 4 December 2009

MORNING Star Gold has dazzled the market with development ore showing visible gold at its Woods Point project in Victoria.

Shares in the Sydney-based gold play rose 14% yesterday or 6c to 48.5c after recent sampling of the Maxwell development drive at its namesake Morning Star mine returned high-grade gold assays.

The peak result was 137.4 grams per tonne gold, and there was also visible gold in the development heading and blasted ore.

With 25 samples collected and 11 assayed, the company said average grades were around 22.5gpt gold.



The Morning Star mine site

Morning Star chief executive Nick Garling said the grades confirmed the Maxwell reef could be developed profitably.

"The Maxwell reef is thickening and rising in grade as we head along the eastern contact towards the southeast where it is still open along strike," he added.

The Morning Star mine produced 883,000 ounces of gold when it was originally in production between 1861 and 1963, and contributed almost half of the 2 million ounces produced from the Woods Point project.

The project has an underground resource of 2 million tonnes at 910,000 ounces for 726,000oz of contained gold, and a surface resource of 2.6Mt at 2.1gpt gold for 184,000oz of contained gold.

Shares in the company were last at 44.5c, down 4c at lunchtime today.