

Morning Star Holdings (Australia) Limited

ABN 98 008 124 025

23 August 2007

Company Announcement Office
Australia Stock Exchange Limited
Exchange Centre
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Ms

Re: Cleansing Statement

The Company hereby provides notice to the ASX for the purpose of section 708A(5)(e) of the *Corporations Act* that it has issued 17,000,000 ordinary fully paid shares in the Company (**Placement Shares**) without disclosure to investors under Part 6D.2 of the *Corporations Act*.

The Company states that as at the date of this notice:

- (a) it has complied with the relevant provisions of Chapter 2M of the *Corporations Act* as they apply to the Company and Section 674 of the *Corporations Act*; and
- (b) it is not aware of any excluded information within the meaning of Sections 708A(7) and 708A(8) of the *Corporations Act*.

An Appendix 3B with respect to the issue of the Placement Shares was lodged by the Company with ASX on 16 August 2007.

If you have any queries please contact Dean Gallegos on 0416 220 007.

Yours sincerely



Dean L Gallegos
Chairman