

Mountainstar Gold Inc.

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(MSX-CNSX)

NEWS RELEASE

October 23, 2012

FINANCING

Mountainstar Gold Inc. (the “Company”), is pleased to announce that it closes the first tranche of its previously announced non-brokered private placement of up to 800,000 units at a price of \$0.25 per unit. A finder’s fee may be paid on a portion of this financing. Each unit consists of one (1) common share and one (1) non-transferable common share purchase warrant. Each warrant is exercisable for a period of two (2) years from closing and will entitle the holder to purchase one additional common share in the capital stock of the Company at a price of \$0.52 per common share. Shares subscribed for in the Private Placement are subject to a four (4) months plus one day hold period.

The Company will be continuing with the second tranche of the Private Placement on the same terms and conditions announced in its October 16, 2012 News Release

Proceeds of this financing will be used for property acquisition and general corporate purposes.

On behalf of the Board of Directors,

“Brent Johnson”

Brent Johnson
President & CEO

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