



Megastar Lights The Way In Gold Development

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Megastar Development Corporation (TSX-V: MDV; Frankfurt: M5Q) an exciting young resource group focused on the acquisition, exploration and development of promising mineral properties across Canada. As gold's glitter continues to light up global resource markets, well-positioned mining companies with proven assets and a strong portfolio of projects will continue to sparkle for bright investors. Companies that have devoted themselves to traditional incremental exploration are now perfectly poised to convert the deep work of development into fully producing projects at a time of historically high gold prices. It is of course a cliché to talk of gold as place of refuge for investors during turbulent economic times but as the world economy attempts to repair, re-orient and entirely re-invent itself, intelligent investors still seek to have a mooring in gold's safe harbor while venturing out into the new world of a green global economy.

Strategic Partnerships

The company has devoted itself to the complex and time-consuming work of locating and exploring mineral properties that have real and verifiable gold producing prospects and to forging agreements with experienced and results-oriented project managers to bring all that work to profitable fruition. The company owns gold and base metal properties in Quebec and British Columbia, including the Simkar Gold Project in Val d'Or, which at the time of writing is estimated to have remaining Inferred Resources of close to 140,000 ounces of gold. After typically exhaustive and extensive development and exploration, including \$30 million replacement value of existing underground infrastructures, Megastar has announced this week that with joint venture partner and project manager Eoro Resources Ltd. (TSX-V: ELO) a 6,000 m surface diamond drilling program has begun at the Simkar site.

The two companies, with Eoro acting as Project manager and operator, are now beginning the first year of a Formal Option and Joint Venture Agreement which

allows for Eloro to earn a 50% undivided interest in the Simkar Gold Project by completing \$4 million in exploration work over a 3 year period. \$750,000 is to be incurred in the first year, with \$1.25 million and \$2 million in the second and third years, paying MDV \$350,000 cash over the three year period, and issuing 4.5 million common shares of Eloro to Megastar. This clearly positions Megastar to benefit from the growth in the value of the Simkar Gold Project at Eloro's expense.

With strategic partnerships and promising project prospects like this the company may not be the bright young thing for long, as it looks set for a potentially long and prosperous future in the industry.

The Simkar Gold Project

The Simkar Gold Project, wholly owned by Megastar and under option to Eloro, is located in the Louvicourt Township just 20 km east of Val-d'Or, Quebec in the Abitibi Greenstone Belt. The drilling is expected to validate historic intersections and the down plunge extension of historic gold zones. The project will incorporate these results into the 3-D mine model to allow refinement of the projection of gold structures from the surface to beneath the 200 m level. According to reporting Simkar has a thick sequence of east-west trending, near vertical dipping volcanic flows and pyroclastics of the Malartic Group that also include quartz-feldspar porphyry dykes and sills, closely associated with the lode gold vein mineralization. The higher gold grade, intrusion-centered gold-quartz-tourmaline vein system is similar to the 9 million ounce Sigma-Lamaque Gold Deposit in Val-d'Or and many other producing gold deposits in the Abitibi Belt.

Megastar point to the impressive prior gold production at Simkar which amounted to 55,000 oz and came from extensive underground workings along the three main zones (A, B and C Zones). Encouragingly the most recent exploration has also revealed three previously untouched gold zones (Pillar Zone, F Zone, and Montana Zone) as well as one high potential structure, the East Zone Shear.

Following the original discovery at Simkar, the mine went on to produce 261,590 tons of ore from zones A, B and C, grading 0.123 oz/ton gold for 30,500 ounces of gold from 1947 to 1949. The project then underwent over \$12 million of surface exploration and underground development work from 1987 to 1993. Shortly thereafter new underground development was completed to access the East Zone on two levels. This underground development work led to the extraction of 71,068 tonnes grading 8.42 g/t gold for approximately 20,000 ounces of gold.

In 1996 a prescient Megastar scooped up all rights, titles and interests in the Simkar Gold Project. The company, as always committed to building solid foundations for it's prospects, has since completed ground geophysics; with surface diamond drilling totaling 8,000 m in 26 holes; and integrated the former Simkar Gold Mine underground workings into a GEMCOMTM GEMS 3-D mine

model. This extensive work led to the mineral resource estimates in outlined in the following table to a vertical depth of -200 meters:

SIMKAR GOLD DEPOSIT			
TOTAL INFERRED RESOURCES*			
CUT-OFF (g/t gold)	TONNES	GRADE (g/t gold)	TOTAL CONTAINED GOLD OUNCES
1.0	1,482,000	3.01	143,160
2.0	641,050	5.10	105,100
3.0	347,400	7.32	81,800
5.0	188,750	10.23	62,100

* Numbers are rounded.

Based on it's research Project manager Eloro states: "... the presence of higher grade tension veins intersected on the Project by Megastar in 2007 surface diamond drilling (140.0 g/t gold over 0.5 m, 99.8 g/t gold over 0.3 m, 33.9 g/t gold over 1.0 m, and 31.0 g/t gold over 0.5 m) is strong evidence of the similarities to the Simkar Gold Deposit with the 9 million ounce Sigma–Lamaque Gold Deposit located 20 km to the west." All this goes to say that the Simkar Gold Project clearly has deep and long lasting potential.

As an already scarce resource becomes more and more scarce it is the companies who play the long-game based not, if you'll pardon the pun, on flash in the pan projects with wild promises, but rather those that use their knowledge and commitment to building partnerships and projects from hard work that will profit in the long term. The Simkar Gold Project provides not only the strong likelihood of reliable gold production but also the opportunity for the company to build its knowledge base in making once dark mines glow again. As the huge deposit discoveries of the past give way to a more patient and practical industry this knowledge will be worth it's weight in the very mineral it seeks. Speaking with the confidence and clarity that comes from years of deep R&D, Megastar CEO Dušan Berka says simply that "We are convinced that the best place to find a deposit remains in the shadow of the historic Simkar head frame. Our vision is to develop this project and bring it back to production".

With this depth and confidence Megastar will be a bright light for savvy investors to follow through a murky mining future.

Follow the company's progress at: <http://www.megastardevelopment.com/>.

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