

# **MEGASTAR DEVELOPMENT CORP.**

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TSX-V: **MDV**

Frankfurt: **M5Q**

September 2, 2009

## **“NEWS RELEASE”**

### **MEGASTAR CLOSSES NON-BROKERED PRIVATE PLACEMENT**

**Vancouver, Canada, September 2, 2009 - Megastar Development Corporation** (the “Company”) (TSX-V: **MDV**; Frankfurt: **M5Q**) wishes to announce that further to its news release dated July 17, 2009, has closed its non-brokered private placement of 6,000,000 units at a price of 5 cents per unit for a gross proceeds of \$300,000. Each unit consists of one common share of the company and one transferable share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the company at a price of 6 cents until August 26, 2010 and at a price of 10 cents until Aug. 26, 2011. Directors, officers and insiders of the company subscribed for \$75,000 of the offering, representing 1,500,000 units or 25 % of the above financing, being the maximum permitted by TSX Venture Exchange. All share issued under the offering are subject to a four-month hold period expiring Dec. 27, 2009. The proceeds from the offering will be used for further exploration of the Ralleau property in Quebec and unallocated working capital.

The company will pay finder's fees in the amount of \$6,800, representing 2.3% of the total proceeds raised under the private placement financing.

### **ABOUT MEGASTAR DEVELOPMENT CORP.**

Megastar Development Corp. is an emerging resource company engaged in the acquisition, exploration and development of mineral properties in Canada. Megastar owns gold and base metal properties in Quebec and British Columbia, including the Simkar Gold Project in Val d’Or, Quebec for which a NI 43-101 compliant independent Technical Report concludes that the Project is estimated to have a remaining (post-historic mining) Inferred Resources of about 140,000 ounces, based on parameters appropriate for a reasonable underground mining scenario. For further information, investors and shareholders are invited to visit the Company’s website at [www.megastardevelopment.com](http://www.megastardevelopment.com) or call the office at 604-683-6648.

ON BEHALF OF THE BOARD OF DIRECTORS

*“DUSAN BERKA”*

Dusan Berka, P. Eng.  
President & CEO

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