

# MEGASTAR DEVELOPMENT CORP.

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TSX-V: **MDV**

Frankfurt: **M5Q**

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## **“NEWS RELEASE”**

### **MEGASTAR UPDATES SEDEX PROPERTY OPTION AGREEMENT**

**Vancouver, BC, Canada, March 17, 2010 - Megastar Development Corporation** (“Megastar” or the “Company”) (TSX-V: **MDV**; Frankfurt: **M5Q**) is pleased to report that Rio Grande Mining Corp. (“Rio Grande”) commenced trading March 15<sup>th</sup>, 2010, under the symbol RGV, on the TSX Venture Exchange. Rio Grande has an option to earn up to 60% interest in the Company's 100% owned SEDEX zinc-lead-silver property (the “Property”), which is located in the Omineca Mining Division, approximately 280 kilometers north-northwest of Mackenzie, BC, Canada.

Under the terms of the Option Agreement with Rio Grande dated November 5, 2008 and amended on August 14, 2009, Megastar will be paid, in stages, a total of \$72,500 cash and issued 200,000 common shares in the capital of Rio Grande on or before July 31, 2012. In addition to these payments, Rio Grande will also be required to incur exploration expenditures on the property totaling \$2.0 million. To date, Megastar has received in payments equaling \$27,500 in cash; 50,000 shares of RGV; and a 43-101 technical report which was completed August 26, 2009, titled NI 43-101 Technical Report on the Kechika Properties. Rio Grande also incurred \$100,000 in exploration expenditures in 2009 in an airborne survey and geophysical work.

The next important milestone in the option agreement is July 31<sup>st</sup>, 2010, by which date Rio Grande needs to make additional cash payment of \$20,000; issue a further 50,000 shares of RGV; and incur a minimum \$200,000 in exploration expenditures to keep the Option Agreement in good standing.

"We are looking forward to the next phase of exploration with Rio Grande. The SEDEX area has attracted a lot of interest with zinc prices more than doubling from late 2008 levels," states Megastar's President, Dusan Berka. “Combined with our significant activity in Val-d’Or, Quebec and the continuing drilling on our Simkar Gold Project, I am indeed pleased with how we are continuing to work with our partners and advance our projects.”

#### **About SEDEX Zinc-Lead-Silver Project**

The Property is situated within the highly prospective Gunsteel shale formation in the world-class Kechika trough sedex zinc basin and consists of 33 mineral claims covering 22,400 hectares (224 sq. km). The Property includes 5,630 meters of active zone in favorable Gunsteel shale formation located adjacent to and along strike with geology that hosts several zinc deposits, including Teck/Korea Zinc's Cirque and South Cirque Deposits, and Canada Zinc Metals Corp.'s Cardiac Creek Deposit on their Akie property (with NI 43-101 inferred resources of 23.6 million tonnes grading 7.6% Zn, 1.5% Pb and 13.0 g/t Ag at a 5% Zn cut off grade. Using this estimate, the deposit contains 3.95 billion pounds of zinc, 780 million pounds of lead and 8.95 million ounces of silver).

**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

*“DUŠAN BERKA”*

Dušan Berka, P. Eng.  
President & CEO

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