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"NEWS RELEASE"

MEGASTAR INTERSECTS HIGH GRADE GOLD AT SIMKAR.

Megastar Development Corp. (TSX-V: **MDV**; Frankfurt: **M5Q**), reports that assays from the Simkar drill-testing program are coming in very slowly. Fourteen holes have now been completed for a total of 4100 meters, however only partial results have been received as follows.

SKR- 07-02 was designed to test the B-Zone, approximately 75 meters above the intersection point of DDH SKR-07-01 (3.20 g/t Au over 6.70 m) at a down hole depth of approximately 170 m. Several small quartz veinlets were intersected but assays returned values below 1.0 g/t Au. The hole appears to have intersected the B Zone outside of the down plunge corridor.

SKR- 07-03 was designed to test the B Zone at a down hole depth of 160 m. and approximately 100 meters east of hole SKR-07-02 but resulting assays are sub-economic.

SKR-07-04 was designed to intersect the East Zone at a down hole depth of 220 meters.
An unexpected zone of gold mineralization was intersected over 4.5m grading 7.22 g/t Au (159.5 to 164) and includes a high-grade section returning 99.8 g/t Au over 0.3 meters with anomalous values on either side.

Hole Name	Sample Number	From (m)	To (m)	Length(m)	0 g/t Au
SKR-07-04	455075	159.5	160.7	1.2	0.45
SKR-07-04	455076	160.7	161	0.3	***99.80**
SKR-07-04	455077	161	162.5	1.5	0.36
SKR-07-04	455078	162.5	164	1.5	0.97
SKR-07-04	455081	167	168.5	1.5	0.97

* Values are uncut

The east Zone was intersected by SKR-07-04 from 219.5 to 221.0 m and yielded 1.5 g/t Au over 1.5 meters.

SKR-07-05 The high-grade intersection from SKR-07-04 (99.80 g/t Au over 0.30 meters) located on section 8040 E, appears to correlate with another high-grade intersection obtained in hole SKR-07-05 (140.00 g/t Au over 0.50 meters) on section 8140 E.

Hole Name	Sample Number	From	To	Length	Au g/t
SKR-07-05	455186	14.32	14.62	0.3	0.46
SKR-07-05	455187	16.5	18	1.5	0.01
SKR-07-05	455190	27.5	29	1.5	0.22
SKR-07-05	455188	29	29.5	0.5	***140.00**

* Values are uncut

Furthermore, historical drill holes in this area also intersected some high-grade gold values, which correlate with SKR-04-05. DDH F87-19 on section 8160 E intersected 44.10 g/t Au over 0.67 m and F-87-17 on section 8180 E intersected 14.75 g/t Au over 0.75 m. The data indicates a new gold bearing structure, which appears to be an en-echelon branch just south of the East Zone and represents strong potential for a another near surface high-grade gold structure. This new zone is located approximately 50 meters south of the East Zone, which is accessible from historical underground workings (525 foot level).

Further results from drill testing on the East zone (SKR-06-11) are pending together with 2 holes (SKR – 07-12 and 14) from Simkar North and one (SKR- 07-13) drilled between Simkar North and South. "SKR 07-13 was drilled to test a previously identified geophysical anomaly (P-14) and we are encouraged by an apparent wide intersection with a significant increase in pyrite content", explains Dusan Berka, President of Megastar. "The company will, of course, provide assay results as soon as they are available."

Mr. Martin Bourgoin, B. Sc., P. Geo who is a qualified person as defined under National Instrument 43-101, has reviewed and approved the contents of this news release.

ABOUT MEGASTAR DEVELOPMENT CORP.

Megastar Development Corp. is an emerging resource company engaged in the acquisition, exploration and development of mineral properties in Quebec and British Columbia. Megastar is listed on the TSX Venture Exchange under the trading symbol "MDV" and on the Frankfurt Stock Exchange under the trading symbol "M5Q".

For further information, investors and shareholders are invited to visit the Company's website at www.megastardevelopment.com or call (604) 683-6648.

ON BEHALF OF THE BOARD OF DIRECTORS

"DUSAN BERKA"

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