

# MEGASTAR DEVELOPMENT CORP.

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January 28, 2008

## “NEWS RELEASE”

### MEGASTAR UPDATES SHAREHOLDERS ON SIMKAR GOLD MINE IN QUEBEC

#### Company Moving Forward with a 43-101 Resource Estimate

The company reports that it is moving forward with a new 43-101 Resource Estimate following on the work that was carried out in 2007. This work included 4340 meters of diamond drilling (14 holes), designed to test the down plunge extension of known mineralized zones (B, C and East Zones) near and below the former producer within the southern portion of the Simkar property, and evaluate the potential for medium grade, large tonnage, copper-zinc-gold-silver volcanogenic massive sulphide (VMS) mineralization on the northern portion of the property. A historical resource of 271,043 tonnes averaging 8.42 grams per tonne gold remains within easy access to underground workings. This resource estimate was conducted in 1992, prior to the implementation of NI 43-101 and should not be relied upon.

David Bikerman, President and CEO of Megastar, stated, “The Simkar gold property is located 20 km east of Val d’Or Quebec and was successfully mined as recently as the early 1990s. It hosts two types of gold targets that both hold good potential for economic mineralization. The company has now completed its review of our 2007 work including the printing of the sections for analysis going forward and a data genesis report, all in support of a new 43-101 resource estimate. This estimate and details of an aggressive 2008 work program will be disclosed in due course”.

The decision to proceed is based in large measure on the results of the assessment report submitted for filing by Independent consultant Martin Bourgoïn, P. Geo. In view of the positive results obtained from the 2007 work the author concludes that, “there exists significant potential and further exploration efforts are strongly warranted”. Drilling confirmed the high-grade nature of the intrusion centered gold-quartz vein system below the last worked underground level and the mineralized zones which were previously mined on the south zone remains open along strike and at depth. Also, three wide spaced core holes drilled, over a 350-meter strike, intersected a new gold bearing structure, which appears to be an echelon branch just south of the East Zone and represents strong potential for another near surface high-grade gold structure with grades up to **140.0 g/t Au**. This new zone is located approximately 50 meters south of the East Zone, which is accessible from historical underground workings, and may be amenable to mechanical stoping.

Three drill holes (totaling 752 meters) were drilled on the north zone in 2007 to further test a 900-metre-long gold-bearing sulphide zone known to exist within a rhyolitic horizon. All three of these wide-spaced holes intersected anomalous gold mineralization, and two of the holes encountered grades of over 2.0 grams per tonne gold over 1+ meter intervals. (See Table below)

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**2007 Mineralized Intersections from the North Zone**

Hole N°	From (m)	To (m)	Au (g/t)	Interval (m)
<b>SKR-07-12</b>	72.85	73.10	1.51	0.25
	195.50	197.00	2.10	1.50
	226.60	227.20	1.24	0.60
<b>SKR-07-13</b>	44.75	45.40	1.13	0.65
<b>SKR-07-14</b>	23.50	24.50	2.06	1.00

Nine drill holes have now been completed within the favorable sequence of felsic volcanic rocks in the north zone. All of these holes intersected wide zones of significant disseminated sulphide gold mineralization over a strike length of approximately 700 meters. Assayed samples returned anomalous to higher-grade gold values up to 7.4 g/t Au. A Megatam and Titan24 Survey conducted earlier over the region confirms significant potential for a large bulk tonnage VMS deposit at Simkar North. The geological environment in this zone resembles that observed at the prolific Bousquet gold camp where more than 50 million ounces of gold were produced.

The company advises that an update on the Ralleau Project will follow shortly.

**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](http://www.megastardevelopment.com) or contact D. Cameron Stretch at 604-961-9795, and Coal Harbor Communications at 604-662-4505 or Toll-free 1-877-642-6200.

ON BEHALF OF THE BOARD OF DIRECTORS

*“DAVID BIKERMAN”*

David Bikerman, President & CEO

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