

# MEGASTAR DEVELOPMENT CORP.

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TSX-V: **MDV**

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## “NEWS RELEASE”

### MEGASTAR QUEBEC PROPERTY 43-101 INFERRED RESOURCE ESTIMATE YIELDS 105,000 OUNCES OF GOLD

#### Significant First Ever SIMKAR Resource 43-101 sets stage for resource expansion.

Megastar Development Corporation (TSX-V: MDV) is pleased to announce a very positive 43-101 compliant independent mineral resource estimate at its 100% owned SIMKAR Gold Property located 20km east of the town of Val d’Or, Quebec. This resource estimate, the first ever done on the SIMKAR property, was completed in order to provide a firm base for further expansion based on current industry 43-101 standards and a recent 3D modelling program of the deposit.

The following table presents a summary of the inferred resources following the different parameters used, using ore blocks of minimum width 1.5m as is normally accepted for such type of deposit. Based on these parameters, a 2.00 g/t cut off grade appears reasonable at this stage of the project.

### SIMKAR DEPOSIT TOTAL INFERRED RESOURCE

Cut Off Grade (g/t Au)	Metric Tonnes	Grade (g/t Au)	Total Contained Ounces
1.00	1,421,622	3.10	141,661
1.50	902,639	4.17	120,927
<b>2.00</b>	<b>618,477</b>	<b>5.29</b>	<b>105,282</b>
2.50	475,995	6.21	95,109
3.00	339,308	7.62	83,146
5.00	186,516	10.70	64,156

Dusan Berka, President & CEO of Megastar states: “The current inferred resource provides Megastar with an excellent base from which to initiate an exploration program designed to increase the tonnage of the deposit. The Simkar Deposit’s current resource estimate compares favorably with many initial resource estimates done on historic and current mines in the area and more than doubles previously

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reported resources of 271,043 tonnes grading 8.42 g/t Au (prior to NI43-101 standards). Considering the existing underground infrastructure at Simkar, and available near-by custom milling possibilities, we believe that we could quickly reach development stage in order to prove continuity of the mineralized zones and establish a firm basis for economic evaluation. The financial support of more than 40% rebate provided by the Quebec Government would significantly add to the cost savings of such a program. In addition to the Cu-Au-Zn targets located north of the deposit, Megastar believes that the Simkar Project will have a bright future and add value to our company.”

The Simkar Deposit has a long history of exploration and production. The first production phase occurred in the 1940's when a total of 261,590 short tons of ore yielding an average grade of 0.123 oz./ton Au (237,311 metric tons at 4.22 g/t Au) was processed. Production also occurred in 1991 - 1992 when 71,068 metric tonnes at a grade of 8.42 g/t Au (20,000 Oz. Au) was sent to a local custom mill. Quebec Government files (Cogite No. 32C/04-0081) reports that in January of 1991 (prior to NI43-101 standards), a remaining resource was estimated at 271,043 tonnes grading 8.42 g/t Au.

### **Resource Estimate**

The 43-101 report is being completed by Robert L. Sandefur, PE of CAM, Denver, CO and Martin Bourgoin, P. Geo. of MRB & Associates, Val-d'Or, Que. The resource estimate was developed by Robert L. Sandefur, PE of CAM while the geological and historical sections of the report were prepared by Martin Bourgoin, P. Geo of MRB & Associates. M. Bourgoin worked as chief geologist at the Simkar mine from 1990-1993. Both Mr. Bourgoin and Mr. Sandefur are Independent Qualified Persons for Megastar.

The September 2008 mineral inferred resource estimate was developed to determine if further exploration on the Simkar Property was warranted. Highlights of the estimation procedure include:

- A Gemcom Database developed by MRB was used in the estimate.
- Calculations were done using the MicroModel software system.
- A nearest neighbour resource estimate was prepared using a search box of 50 x 50 x 1 m with the 1 m search North South at a block size of 1x1x0.1m.
- Production from this model was calculated by varying the parameters of cut off grade, dilution, distance from mined out areas, distance to nearest composite until calculated production matched historic production in terms of tonnes and grade within 2%.
- It appeared that a historic effective cut off grade of 2.0 g/t Au had been used
- A density of 2.70 tonnes/meter-cube was used for the resource estimate. CAM believes this is acceptable for inferred resource but notes that actual density data must be provided before any portion of the resource is converted to measured and indicated categories.
- A number of sets out parameters matched historic production within plus or -2% and these various sets provide a quantitative uncertainty for the resource estimate.
- The remaining inferred resource for the various parameter sets was calculated as material beyond the distance from the mined out areas but within the distance to nearest composite.

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- Cap grades did not significantly change the resource estimate within any one set of parameters and were not applied.
- The resource estimates for the various sets of parameters range within the  $\pm 50\%$  which CAM uses as a quantitative standard for inferred resources. (It should be noted that there are no quantitative standards for the uncertainty of the measured, indicated and inferred resource classes. CAM believes a quantitative assessment of uncertainty for a resource estimate is preferable to the statement of one resource number but the statement that it is inferred.)
- Because the historic cut-off grade, mining methods and dilution is not precisely known, several resource estimates at various cut-offs and dilutions have been calculated and will be presented in the 43-101 final report which will be filed on SEDAR within 45 days.

#### ABOUT MEGASTAR DEVELOPMENT CORP.

Megastar Development Corp. is a 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.

#### ON BEHALF OF THE BOARD OF DIRECTORS

*"DUSAN BERKA"*

Dusan Berka, P. Eng.  
President and CEO