

# MEGASTAR DEVELOPMENT CORP.

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TSX-V: **MDV** Frankfurt: **M5Q**

## “NEWS RELEASE”

### MEGASTAR ARRANGES NON-BROKERED PRIVATE PLACEMENT FINANCING

**Vancouver, BC, Canada, March 21, 2012 - Megastar Development Corporation** (“Megastar”, the “Company” or “MDV”) (TSX-V: **MDV**; Frankfurt: **M5Q**) is pleased to announce that it has arranged a financing of up to \$1,100,000 by way of a non-brokered private placement offering (the “**Offering**”).

The Offering consists of the issuance of up to 11,000,000 units at \$0.10 per unit (the “Units”). Each Unit consists of one common share (a “Share”) and one transferable share purchase warrant (the “Warrant”). Each Warrant will entitle the holder thereof to purchase one Share at a price of \$0.135 per Share for a period of 24 months.

Finders’ fees may be paid by the Company in conjunction with the completion of the private placement in accordance with TSX Venture Exchange policies.

Proceeds of the Offering may be used to finance exploration programs on the company’s exploration project in Quebec, for ongoing evaluation of possible projects and for general working capital.

The Offering is subject to regulatory acceptance and final documentation, and is scheduled to close on or about April 20, 2012. All securities issued in the Offering and any shares issued upon exercise of warrants will have a hold period of four months from the closing of the offering.

#### 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 mineral properties in Quebec and British Columbia. 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 604-669-9330 or 1-866-669-9377.

#### ON BEHALF OF THE BOARD OF DIRECTORS

*“DUSAN BERKA”*

Dusan Berka, P. Eng.  
President & CEO

***Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.***