

MEGASTAR DEVELOPMENT CORP.

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TSX-V: **MDV** Frankfurt: **M5QN**

“NEWS RELEASE”

Vancouver, BC, Canada, August 25, 2016 - Megastar Development Corporation (“Megastar”, the “Company” or “MDV”) (TSX-V: **MDV**; Frankfurt: **M5QN**) announces that further to its News Release dated August 3, 2016 announcing a grant of up to 2,150,000 incentive stock options to directors and officers pursuant to the company’s stock option plan, the number of stock options granted were adjusted to a total of 825,000 incentive stock options granted to directors and officers. Such options are exercisable for three years at a price of 5 cents per share until August 25, 2019, and are subject to the acceptance of the TSX Venture Exchange.

ABOUT MEGASTAR DEVELOPMENT CORP.

Megastar Development Corp. is an emerging resource company engaged in the evaluation, acquisition and exploration 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 or call the office at 604-681-1568, or toll free at 1-877-377-6222.

ON BEHALF OF THE BOARD OF DIRECTORS

“DUSAN BERKA”

Dusan Berka, P. Eng.
President & CEO