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

MEGASTAR IDENTIFIES MULTIPLE HIGH POTENTIAL EPITHERMAL TARGETS AT MAGDALENA PROJECT, MEXICO

Property lies within the known Oaxaca Au-Ag epithermal trend

Vancouver, BC, Canada, December 5, 2019 – Megastar Development Corp. (“Megastar”, or the “Company”) (TSX-V: **MDV**; Frankfurt: **M5QN**) is pleased to report that the first exploration results from preliminary work at its Magdalena Project (the “Project”) have identified characteristics of a significant epithermal system including gold mineralization locally exceeding 3.00 grams per tonne (g/t). The Project lies in the central portion of the Oaxaca Au-Ag polymetallic epithermal belt in the Sierra Madre del Sur, Mexico, 20 kilometers east-northeast of Gold Resource Corporation’s Arista-Switchback Mine, and 22 kilometers south of the Company’s Yautepec project (see news releases dated July 16, 2019 and August 22, 2019).

Exploration manager and Director David Jones states: “Our experienced and highly motivated team has generated multiple high-potential epithermal targets in only two short months. We have mapped a principal 300 by 285 meter area of surface gold mineralization defined by 58 samples above 0.20 g/t, which include **two samples above 3.00 g/t gold, and 12 samples above 1.00 g/t gold**. This main zone, along with other prominent outliers, constitute easy-to-access and drill-ready targets. We look forward to rapidly advancing and expanding the potential of the Magdalena project.”

Over a period of two months’ field mapping and sampling, 277 rock chip samples were taken in areas of extensive epithermal alteration along the eastern structural margin of a recently identified Tertiary caldera. Epithermal alteration minerals include clays, quartz veining/silicification, oxidized sulfides, barite, and gypsum. Significant results are shown in the following table:

Magdalena Project: Significant sample results (ALS Labs) from first two work periods (n=277)				
	Element	Maximum value(s)	Lithology of highest value	Samples with Significant values
Precious metals	Au	3.16 and 3.12 g/t	Quartz veins	12 > 1.00 g/t 24 ≥ 0.50 g/t 59 ≥ 0.20 g/t
	Ag	64.30 g/t	Quartz vein	12 > 10.00 g/t

Base metals	Cu	312 ppm	Rhyolite dome	11 \geq 50 ppm
	Pb	1.27%	Quartz vein	13 > 1000 ppm 22 > 500 ppm
	Zn	4520 ppm	Quartz veined rhyolite	3 > 1000 ppm 14 > 200 ppm
	Mo	85.7 ppm	Veined rhyolite	18 > 20 ppm
Pathfinder elements	As	5140 ppm	Quartz vein	14 > 1000 ppm 41 > 500 ppm
	Ba	2850 ppm	Silicified vein breccia	6 > 2000 ppm 29 > 1000 ppm
	Hg	12.0 ppm	Clay altered tuff	29 \geq 1.0 ppm
	Sb	1135 ppm	Quartz veined tuff	7 > 100 ppm 15 \geq 50 ppm
	Se	770 ppm	Brecciated quartz vein	26 > 50 ppm
	Te	31.0 ppm	Silicified volcanic	38 > 1.0 ppm
	Tl	3.38 ppm	Silicified rhyolite	34 \geq 1.0 ppm

Strong epithermal alteration is found along a minimum 1.7 km long E-W structural trend that shows sheeted quartz vein sets and silicification in conjugate NNW to NNE-NE structural sets. The setting is the eastern structural margin of a caldera where it intersects a prominent regional E-W structural trend. Approximately 4,100 square meters of silicified bladed calcite textures have been mapped within a larger area of strong and sheeted quartz veining. Both samples above 3.00 g/t gold, all 12 samples above 1.00 g/t gold, and 54 of 59 samples above 0.20 g/t gold lie within the larger quartz veined area of approximately 375 meters E-W by 190 meters N-S. Mound-like silica forms within 250 meters of this area are interpreted as silicified hot spring stromatolites (i.e. a paleosurface), suggesting that the entire vertical extent of the potential bonanza grade mineralized system, if present, may be conserved at depth. The tabulated results (above) indicate the system is strongly anomalous in precious metals, base metals, and epithermal pathfinder elements. The lithologic, alteration, and geochemical character of the system is similar to that of the nearby producing Arista-Switchback mines of Gold Resource Corporation. The Magdalena Project presence has seen no significant historic exploration or drilling.

Company President & CEO, Dušan Berka commented: "I am very pleased with the early success of our continuing exploration efforts in Oaxaca. With excellent early exploration results reported from our Yautepec Project in July and August 2019, the subsequent acquisition of the Cerro Minas Property, and now excellent results from the Magdalena Project, all of which are strategically located on the trend between two producing mines, we are continuing on our path towards establishing a strong presence in this prolific region."

The technical content of this news release has been reviewed and approved by Robert Johansing, M.Sc., Economic Geologist, and a Qualified Person pursuant to National Instrument 43-101.

ABOUT MEGASTAR DEVELOPMENT CORP.

Megastar Development Corp. is an emerging resource company engaged in the evaluation, acquisition and exploration of mineral properties in Mexico and Canada. Megastar has an option to acquire 100% interest in three epithermal Au-Ag mineral properties in Oaxaca, Mexico. Megastar also owns 100% interest in the **Ralleau**, VMS/lode gold mineral property in Urban Barry District, Lebel-sur-Quévillon area of Quebec, currently under 50% option to DeepRock Minerals Inc. (CSE: **DEEP**). 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

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Forward Looking Statements:

Statements included in this announcement, including statements concerning our plans, intentions and expectations, which are not historical in nature are intended to be, and are hereby identified as, "forward-looking statements". Forward-looking statements may be identified by words including "anticipates", "believes", "intends", "estimates", "expects" and similar expressions. The Company cautions readers that forward-looking statements, including without limitation those relating to the Company's future operations and business prospects, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements.