

MEGASTAR DEVELOPMENT CORP.

#1450 - 789 W. Pender Street, Vancouver, BC, Canada V6C 1H2

Tel.: (604) 681-1568, Fax: (604) 681-8240

Toll Free: 1-877-377-6222

www.megastardevelopment.com

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

Megastar Samples 308g Silver and 1.07g Gold Along 530-Meter Vein System at Yautepec

- *New mining claim on open ground added to cover highly prospective geology*
 - *Multiple outlying targets have seen only preliminary work*
- *Property lies within the known Oaxaca Au-Ag epithermal belt*

Vancouver, BC, Canada, August 22, 2019 – Megastar Development Corp. (“Megastar”, or the “Company”) (TSX-V: **MDV**; Frankfurt: **M5QN**), an early stage mineral exploration company focused on its properties in Oaxaca, Mexico, is pleased to announce recently received sample results from a second period of reconnaissance fieldwork at its Yautepec Project in Oaxaca state, Mexico.

A total of 162 samples were taken of prospective rock types, with a focus on high potential areas identified during the first period of work as discussed in a prior news release dated July 16, 2019. Significant new results include:

Yautepec Project: Significant 2 nd period sample results (ALS Labs)				
	Element	Maximum value	Lithology of highest value	Samples with Significant values
Precious metals	Ag	308 grams	Quartz vein bounding silica sinter complex	11 > 10 grams
	Au	1.07 grams	Quartz vein bounding silica sinter complex	11 > 0.20 grams
Base metals	Cu	99 ppm	Sinter complex: silica-carbonate	12 > 50 ppm
	Pb	464 ppm	Quartz vein – brecciated	17 > 100 ppm
	Zn	548 ppm	Quartz vein bounding silica sinter complex	14 > 100 ppm
	Mo	102 ppm	Quartz vein – brecciated	3 > 50 ppm
Pathfinder elements	As	9.26 %	Felsic intrusion - brecciated	18 > 1000 ppm
	Ba	3780 ppm	Hydrothermal breccia	17 > 1000 ppm
	Hg	29.5 ppm	Sinter: silica – carbonate	18 > 1 ppm
	Sb	307 ppm	Sinter complex: breccia	8 > 100 ppm
	Se	16.7 ppm	Felsic intrusion - brecciated	30 ≥ 2 ppm
	Te	5.27 ppm	Quartz vein bounding silica sinter complex	19 > 0.20 ppm
	Tl	3.35 ppm	Sinter complex: silica	10 ≥ 1 ppm

David M. Jones, exploration manager and director of Megastar, says: “Our second round of sampling at Yautepec has not only confirmed our first round of results but surpassed them, yielding silver values up to 308 grams and gold values to 1.07 grams in an historically undocumented quartz vein system of impressive length with structural widths up to 7 meters, based on surface mapping to date. In tandem with the adjacent mineralized hot springs complex (sinter), we have generated a series of high priority drill targets after only two periods of fieldwork. This is a remarkable accomplishment for our small and highly motivated team, all of whom have had significant exploration discoveries in their careers. The targets identified to date represent a small portion of the greater Yautepec project; multiple outlying exploration targets await further work which could potentially yield similar encouraging results.”

The majority of new samples were collected from a quartz vein system exposed along a 530-meter northwest-southeast trend, and as well from an immediately adjacent fossil hot springs system (sinter), developed along the same trend for 770 meters with widths up to 215 meters (~95,000 square meters minimum surface area). These and prior results show that both the quartz vein system and sinter complex are mineralized and are logically genetically related. The presence of sinter indicates that the full vertical extent of potential bonanza style epithermal mineralization is conserved at depth, this inferred from the fact that most known systems of this style are not well mineralized within 150 meters of documented ‘paleo’ surfaces (Sillitoe, 2015*). The northwest-southeast structural trend of the quartz vein and sinter complex is similar to that of nearby producing mines on the Oaxaca epithermal Au-Ag belt, such as Gold Resource Corp’s [NYSE: GORO] Arista-Switchback mine, and Fortuna Silver Mines’ [TSX: FVI] San Jose mine.

**Sillitoe, R.H., Epithermal Paleosurfaces: Miner Deposita (2015) 50: 767-793*

A new mining claim was recently filed on open ground based on highly prospective geology discovered during the first period of work at Yautepec. Previously noted outlying target areas have yet to receive follow up mapping and sampling, but remain a priority for further evaluation.

Company President & CEO, Dusan Berka added: “We are all very pleased and excited with what we have been able to demonstrate to date. Success of this nature, so early into a program, is rare. Megastar will continue to aggressively advance the work on its Oaxaca assets, and opportunistically add properties as we have done here. With precious metal prices firming and interest coming back to the sector, we believe Megastar’s advancements will be of interest to our shareholders and investors in general.”

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 Canada and Mexico. Megastar has an Option to acquire 100% interest in three epithermal Au-Ag mineral properties in Oaxaca, Mexico. Megastar also owns 100% interest in Ralleau mineral property in Urban Barry District, Lebel-Sur-Quévillion area of Quebec, currently under 50% Option to DeepRock Minerals Exploration Inc. 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

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.

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.