FINANCIAL CONSULTING AGREEMENT

THIS AGREEMENT is dated for reference October 1, 2007.

BETWEEN:

MEGASTAR DEVELOPMENT CORP.,
600-625 Howe Street
Vancouver, British Columbia
V6C 2T6

(the "Company")

OF THE FIRST PART

AND:

GARY MUSIL,
3577 Marshall Street
Vancouver, British Columbia
V5N 4S2

("Mr. Musil")

OF THE SECOND PART

WHEREAS:

A. Effective July 21, 2006, Mr. Musil was appointed Treasurer and Chief Financial Officer of the Company;

B. The Company and Mr. Musil wish to record the terms of their arrangement in relation to Mr. Musil's engagement to provide certain services to the Company.

1. ENGAGEMENT

1.1 Upon and subject to the terms and conditions hereinafter set out, the Company hereby agrees to retain the services of Mr. Musil to provide services to the Company, and Mr. Musil hereby agrees to faithfully serve the Company and use his best efforts on the Company's behalf, such services to include, but not be limited to, the following:

(a) ccoordinating and arranging the contracting of accounting/bookkeeping services;

(b) coordinating and assisting with routine daily office transactions, such as banking);

(c) assisting with the preparation of quarterly financial statements, including management's discussion & analysis;

(d) assisting Company directors with respect to their insider reporting obligations;

(e) assisting with the preparation of Company disclosure documents, including news releases, and shareholder newsletters;

(f) engaging and working with Company agents, including auditors, solicitors, and transfer agents;

(g) assisting and providing advice with respect to corporate structuring, reactivations, asset negotiations and financing;

(h) coordinating and assisting the Company with its continuous disclosure and other reporting issuer obligations, including SEDAR and other regulatory filings;

(i) such other services as may be requested by the Company.

1.2 Mr. Musil shall carry out the policies and programs as established by the Board of Directors of the Company (the "Board"), and Mr. Musil shall have all such powers, and shall be entitled to exercise all such authority as are customarily held and exercised by a treasurer and/or chief financial officer of a company carrying on similar types of businesses that are carried on by the Company.

1.3 In carrying out his obligations hereunder, Mr. Musil will:

(a) act honestly, in good faith and in the best interests of the Company;

(b) exercise the care and diligence of a prudent person; and

(c) use his best efforts to well and faithfully serve the interests of the Company.

2. RELATIONSHIP

2.1 The relationship between the parties established by this Agreement is one of independent contractor for services, and is not to be construed as a contract of employment.

2.2 Nothing in this Agreement shall be construed as preventing Mr. Musil from providing other services of any nature whatsoever to any other person, firm or corporation during the Term or Subsequent Terms of this Agreement (as hereinafter defined).

3. TERM OF ENGAGEMENT

3.1 The initial term of this Agreement will commence on October 1, 2007 and will continue until September 30, 2008 (the "Term"); and thereafter this Agreement will be automatically renewed for successive 12 month periods (the "Subsequent Terms"), unless earlier terminated in accordance with the provisions of this Agreement.

4. COMPENSATION

4.1 During the Term, the Company shall pay to Mr. Musil a minimum fee of $3,000 per month (the "Fee"), payable monthly in arrears on the last day of each month, commencing on October 31, 2007. The Fee is calculated at an hourly rate of $75, multiplied by forty (40) hours per month (the "Base Time").

4.2 Subject to prior approval by the Board or any committee of the Board, Mr. Musil may expend greater than forty (40) hours Base Time per month to the Company's affairs ("Overtime").

4.3 As compensation for the Overtime, Mr. Musil shall be compensated at the rate of $75 per hour, for each hour of Overtime over and above the Base Time.

4.4 In the month of September 2008, and in the month of September in each year of the Subsequent Terms, the Board or a compensation committee of the Board (the "Committee") shall review Mr. Musil's performance and, if warranted, adjust the Fee and/or other benefits payable to Mr. Musil.

4.5 In addition to the Fee, Mr. Musil shall be entitled to rights and benefits under any profit sharing, deferred compensation, stock appreciation rights, stock option, and other plans or programs adopted by the Company comparable to rights and benefits under such plans and programs as are customarily granted to persons holding similar positions as that held by Mr. Musil, or performing duties similar to those performed by Mr. Musil in corporations of similar size, that carry on a similar type of business as that carried on by the Company, provided that all of such options or rights are or will be subject to separate written agreement(s), and acceptance of the Regulatory Authorities (as hereinafter defined), if necessary.

4.6 The Company and Mr. Musil shall negotiate in good faith with respect to such additional benefits to be payable to Mr. Musil, such as those related to health and vacation, as the parties mutually agree are appropriate.

5. EXPENSES

5.1 The Company shall reimburse Mr. Musil for his out-of-pocket expenses incurred on behalf of the Company (the "Expenses"), provided that such Expenses are reasonable in nature, and are properly documented by Mr. Musil.

5.2 The Expenses shall be reimbursed to Mr. Musil by the Company immediately following presentation to the Company of evidence of such Expenses.

5.3 Mr. Musil will establish and maintain books of account for any Expense incurred, and will maintain invoices, receipts and vouchers for any such Expenses.

5.4 The Company will have free access at all reasonable times to such records, books of account, invoices, receipts and vouchers for the purposes of copying and/or auditing the same.

6. ILLNESS AND TERMINATION

6.1 If Mr. Musil's ability to perform his duties hereunder has been impaired by illness or mental or physical disability, which illness or disability has been certified by a doctor's certificate, then the Company shall, unless Mr. Musil's engagement hereunder has been otherwise terminated, pay to Mr. Musil, all compensation for the remainder of the Term or Subsequent Terms, payable monthly after deducting therefrom an amount equal to any sickness or disability payments received by Mr. Musil under the Company's sickness and disability plan, if any.

6.2 This Agreement may be terminated prior to expiry of the Term or Subsequent Terms upon the occurrence of any of the following events:

(a) the death or permanent disability of Mr. Musil, in which case all unpaid compensation for the remainder of the Term or Subsequent Terms, together with all Expenses not previously reimbursed, shall be paid to Mr. Musil or the Estate of Mr. Musil, as the case may be;

(b) the Company's election to terminate this Agreement for Cause, in which case all unpaid compensation up to the date of termination, together with all Expenses not previously reimbursed, shall be paid to Mr. Musil. For the purposes hereof, "Cause" means:

i) the conviction of Mr. Musil of, or plea of nolo contendere to, any crime (indictable level or felony level or penalized by incarceration or a lesser crime involving moral turpitude), or any act involving money or other property involving the Company that would constitute a crime in the jurisdiction involved;

ii) the insolvency or bankruptcy of Mr. Musil, or if Mr. Musil becomes the subject of any proceedings relating to his insolvency or for the appointment of a receiver or similar officer for him, or if he makes a general assignment for the benefit of all or substantially all of his creditors, or if he enters into an agreement for the composition, extension or readjustment of all or substantially all of his obligations;

iii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Company or a customer of the Company by Mr. Musil;

iv) the use by Mr. Musil of illegal drugs or the habitual and disabling use of alcohol or drugs;

v) any material breach of any of the terms of this Agreement, which breach remains uncured after the expiration of ten (10) days following the delivery of written notice of such breach to Mr. Musil by the Company; or

vi) any act that is materially injurious to the Company;

(c) the mutual agreement of Mr. Musil and the Company to terminate this Agreement, in which case all unpaid compensation up to the date of termination, together with all Expenses not previously reimbursed, shall be paid to Mr. Musil;

(d) by Mr. Musil, upon giving the Company thirty (30) days prior written notice, in which case all unpaid compensation up to the date of termination, together with all Expenses not previously reimbursed, shall be paid to Mr. Musil;

(e) by the Company, upon giving Mr. Musil thirty (30) days prior written notice, in which case all unpaid compensation up to the date of termination, together with all Expenses not previously reimbursed, shall be paid to Mr. Musil, plus a further payment equal to Fees for a one month period for every year of service by Mr. Musil in excess of one year, as damages and compensation for loss of office and for the termination of this Agreement.

7. <u>REGULATORY ACCEPTANCE</u>

7.1 This Agreement may be subject to prior acceptance by the TSX Venture Exchange and such other authorities as may have jurisdiction over the affairs of the Company (collectively the "Regulatory Authorities").

8. <u>CONFIDENTIALITY AND NON-COMPETITION</u>

8.1 Mr. Musil shall not use for his own purposes, or for any purposes other than those of the Company, any information that may be acquired during the Term or Subsequent Terms with respect to the Company's affairs.

8.2 Mr. Musil shall not disclose the private affairs of the Company, or any confidential information to any person other than Company directors or pursuant to Board policies or guidelines without the prior consent of the Board. For the purposes hereof "confidential information" means all information, knowledge, data, trade secrets, systems, methods, processes, know-how and business projections respecting the Company and its business, properties and assets, whether or not reduced to writing, and shall include all corporate records, agreements, reports, maps, results and other relevant technical data, which in any way and at any time or times has been or may be communicated to, acquired by, or learned of by Mr. Musil in the course of or as a direct or indirect result of Mr. Musil's access to the information concerning the Company.

8.3 The phase "confidential information" shall not include the following:

(a) information that, at the time of disclosure, is in the public domain; or

(b) information that, after disclosure to Mr. Musil, is published or otherwise becomes part of the public domain through no fault of Mr. Musil (but only after, and only to the extent that, such information is published or otherwise becomes part of the public domain).

8.4 Mr. Musil shall not communicate confidential information to any person, firm, corporation or business, except if compelled to do so by the rules or policies of the Regulatory

Authorities, a subpoena or an order of a court or governmental agency having the power and jurisdiction to compel such disclosure; PROVIDED that Mr. Musil shall use his best efforts to first give the Company notice of such disclosure.

8.5 For a period of two (2) years following the termination of this Agreement, Mr. Musil shall not enter into any partnership, business arrangement, or similar relationship with any actual, or in the process of potentially becoming, business affiliate or partner of the Company, without the prior written approval of the Company.

9. INDEMNITY

9.1 The Company shall at all times indemnify and save harmless Mr. Musil and his heirs and legal representatives, from and against all costs, legal and other fees, charges and expenses as they occur or are agreed, including any amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director, treasurer or chief financial officer of the Company, if he acted honestly and in good faith with a view to the best interests of the Company, and otherwise in accordance with the Articles of the Company.

9.2 At all times during the currency of this Agreement, the Company will maintain appropriate liability insurance for its directors and officers, including Mr. Musil.

10. COSTS

10.1 The parties to this Agreement acknowledge and agree that all costs and expenses incurred in the preparation of this Agreement shall be borne by the Company.

11. GOVERNING LAW

11.1 This Agreement is governed by the laws of the Province of British Columbia, and the laws of Canada applicable therein.

12. COLLECTION OF PERSONAL INFORMATION

12.1 Mr. Musil acknowledges and consents to the fact that the Company may be required by applicable securities legislation to provide the Regulatory Authorities with any personal information provided by Mr. Musil, in accordance with the requirements of the applicable securities legislation.

13. SURVIVAL

13.1 The obligations of the parties hereto shall survive any expiration or termination of this Agreement.

14. ASSIGNMENT

14.1 This Agreement is not transferable or assignable, except in accordance with the rules and policies of the Regulatory Authorities, and with the prior written consent of all parties.

15. ENUREMENT

15.1 Subject to the restrictions on transfer contained in this Agreement, this Agreement will enure to the benefit of and be binding on the parties and their respective heirs, executors, administrators, successors and permitted assigns.

16. SEVERABILITY

16.1 Should any part of this Agreement be declared or held invalid for any reason, such invalidity shall not affect the validity of the remainder, which shall continue in force and effect and be construed as if this Agreement had been executed without the invalid portion, and it is hereby declared the intention of the parties hereto that this Agreement would have been executed without reference to any portion that may, for any reason, be hereafter declared or held invalid.

17. AMENDMENT AND WAIVER

17.1 This Agreement may not be modified or amended except by an instrument in writing signed by all parties hereto or by their permitted successors or assigns.

17.2 No waiver or consent by a party of or to any breach or default by any other party shall be effective unless evidenced in writing, executed and delivered by the party so waiving or consenting and no waiver or consent effectively given as aforesaid shall operate as a waiver of or consent to any further or other breach or default in relation to the same or any other provision of this Agreement.

18. INDEPENDENT LEGAL ADVICE

18.1 All parties to this Agreement acknowledge and agree that they have had adequate opportunity to seek and obtain independent legal advice with respect to the subject matter of this Agreement, and for the purpose of ensuring their rights and interests are protected.

18.2 All parties to this Agreement represent and warrant that they have either sought independent legal advice, or consciously chosen not to do so with full knowledge of the risks associated with not obtaining such independent legal advice.

19. NOTICES

19.1 All notices given in connection with this Agreement shall be in writing and shall be personally delivered, faxed or emailed to the parties at their addresses set out on Page 1 of this Agreement or to the following fax numbers or email addresses:

(a)	the Company	604-684-1350; info@megastardevelopment.com
(b)	Mr. Musil	604-684-1350; gmusil@telus.net

19.2 Any such notices personally delivered, faxed or emailed shall be deemed delivered on the day of delivery.

19.3 Any party hereto may change its address for service by notice in writing to the other parties hereto.

20. ENTIRE AGREEMENT

20.1 Except as expressly provided in this Agreement and in the agreements, instruments and other documents contemplated or provided for herein, this Agreement contains the entire agreement between the parties and there are no other terms, conditions, representations or warranties, whether expressed, implied, oral or written, by statute or common law, by the Company or by anyone else.

21. GENERAL PROVISIONS

21.1 Unless otherwise specified, all sums of money expressed in this Agreement are in the lawful money of Canada.

21.2 Time is of the essences of this Agreement and will be calculated in accordance with the provisions of the *Interpretation Act* (British Columbia).

21.3 Notwithstanding anything herein to the contrary, the parties hereto shall not be deemed in default with respect to the performance of any of the terms, covenants and conditions of this Agreement, if the same shall be due to any strike, lock-out, civil commotion, invasion, rebellion, hostilities, sabotage, governmental regulations or controls, Acts of God, or otherwise beyond the control of the parties.

21.4 Should a dispute arise between the parties on any matter or thing arising out of this Agreement, the dispute shall be referred to a single arbitrator. If the parties fail to agree on the selection of the sole arbitrator, each party shall forthwith appoint an arbitrator, and these two shall elect a third arbitrator.

21.5 Each of the parties hereto hereby covenants and agrees to execute such further and other documents and instruments, and to do such further and other things as may be necessary to implement and carry out the intent of this Agreement.

22. COUNTERPARTS AND ELECTRONIC MEANS

22.1 This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall constitute an original and all of which together shall constitute one instrument.

22.2 Delivery of an executed copy of this Agreement by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy will be deemed to be execution and delivery of this Agreement as of the date hereinafter set forth.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

MEGASTAR DEVELOPMENT CORP.	)
	)
Per:	)
	)
______________________________	)
Authorized Signatory	)

SIGNED, SEALED & DELIVERED	)	
by Mr. Musil in the presence of:	)	
	)	
___________________________________	)	
Signature of Witness	)	___________________________________
	)	**GARY MUSIL**
Name of Witness: ______________________	)	
Address of Witness: ____________________	)	
___________________________________	)	
Occupation of Witness: _________________		