Form 51-102F3
Material Change Report

Item 1: Name and Address of Company
Megastar Development Corp. (the "Company")
#600-625 Howe Street
Vancouver, BC V6C 2T6
(604) 683-6648

Item 2: Date of Material Change
March 17, 2011

Item 3: News Release

Issued **March 17, 2011** and distributed through the facilities of Marketwire and Stockwatch

Item 4: Summary of Material Change

Megastar Development Corporation announced the completion of its Plan of Arrangement and dividend distribution of 70,000,000 common shares of Eloro Resources Ltd. (“Eloro”) to Megastar shareholders of record on January 7, 2011. The ratio of distribution is 1.6616329869 Eloro shares for each Megastar share and the effective date of the share distribution is March 15, 2011. The Eloro share certificates being delivered to eligible Megastar shareholders will carry a hold period legend expiring on March 19, 2011.

Item 5: Full Description of Material Change

Megastar Development Corporation announced the completion of its Plan of Arrangement and dividend distribution of 70,000,000 common shares of Eloro Resources Ltd. (“Eloro”) to Megastar shareholders of record on January 7, 2011. The ratio of distribution is 1.6616329869 Eloro shares for each Megastar share and the effective date of the share distribution is March 15, 2011. The Eloro share certificates being delivered to eligible Megastar shareholders will carry a hold period legend expiring on March 19, 2011.

Summary of the Business Combination and Plan of Arrangement

- August 30, 2010 - Eloro and Megastar announce a business combination, whereby Eloro will purchase the Simkar Gold property near Val-d’Or, Quebec from Megastar in exchange for 70,000,000 Eloro shares.
- November 18, 2010 - Eloro and Megastar execute a definitive Asset Purchase Agreement and Voting Trust Agreement, and close the sale of Simkar in escrow. 70,000,000 Eloro shares carrying a four-month hold legend expiring on March 19, 2011are transferred into escrow.
- December 20, 2010 - Megastar shareholders vote in favour of the Plan of Arrangement to distribute the 70,000,000 Eloro shares to Megastar shareholders on a pro-rata basis.
- December 21, 2010 - Megastar receives approval for the Plan of Arrangement from the Supreme Court of British Columbia.
- December 22, 2010 - Megastar sets the Distribution Record Date to January 7, 2011.
- On February 3, 2011 - the TSX Venture Exchange declares its final acceptance of the sale of the Simkar property.
- February 28, 2011 - in accordance with the Plan of Arrangement, title to the Simkar property was transferred from Megastar to Eloro, and the 70,000,000 Eloro shares are released from escrow.

Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

This report is not being filed on a confidential basis.

Item 7: Omitted Information

There are no significant facts required to be disclosed herein which have been omitted.

Item 8: Executive Officer

Contact: Dušan Berka, President & CEO
Telephone: (604) 683-6648

Item 9: Date of Report

March 18, 2011