

Form 51-102F3
Material Change Report

Item 1: Name and Address of Company

Megastar Development Corp. (the "Company")
#1130-789 West Pender Street
Vancouver, BC V6C 1H2
(604) 669-9330

Item 2: Date of Material Change

March 21, 2012

Item 3: News Release

Issued **March 21, 2012** and distributed through the facilities of Marketwire and Stockwatch

Item 4: Summary of Material Change

Megastar Development Corporation announced that it has arranged a financing of up to \$1,100,000 by way of a non-brokered private placement offering (the "**Offering**"). The Offering consists of the issuance of approximately 11,000,000 units at \$0.10 per unit (the "Units"). Each Unit consists of one common share (a "Share") and one transferable share purchase warrant (the "Warrant"). Each Warrant will entitle the holder thereof to purchase one Share at a price of \$0.135 per Share for a period of 24 months.

Item 5: Full Description of Material Change

Megastar Development Corporation announced that it has arranged a financing of up to \$1,100,000 by way of a non-brokered private placement offering (the "**Offering**").

The Offering consists of the issuance of up to 11,000,000 units at \$0.10 per unit (the "Units"). Each Unit consists of one common share (a "Share") and one transferable share purchase warrant (the "Warrant"). Each Warrant will entitle the holder thereof to purchase one Share at a price of \$0.135 per Share for a period of 24 months.

Finders' fees may be paid by the Company in conjunction with the completion of the private placement in accordance with TSX Venture Exchange policies.

Proceeds of the Offering may be used to finance exploration programs on the company's exploration project in Quebec, for ongoing evaluation of possible projects and for general working capital.

The Offering is subject to regulatory acceptance and final documentation, and is scheduled to close on or about April 20, 2012. All securities issued in the Offering and any shares issued upon exercise of warrants will have a hold period of four months from the closing of the offering.

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) 669-9330

Item 9: Date of Report

March 21, 2012