

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Megastar Development Corp.
Suite 1130 – 789 West Pender Street
Vancouver, BC, V6C 1H2

Item 2 Date of Material Change

August 22, 2012

Item 3 News Release

The Press Release was disseminated via Canada Stockwatch on August 22, 2012.

Item 4 Summary of Material Change

The Company announced the grant of stock options.

Item 5 Full Description of Material Change

The Company granted 425,000 incentive stock options to officers and consultants under its stock option plan for a period of two years at a price of \$0.10, subject to regulatory acceptance.

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

Not Applicable

Item 7 Omitted Information

Not Applicable

Item 8 Executive Officer

Dusan Berka, President – Tel: 604 669 9330

Item 9 Date of Report

September 17, 2012