

DATED: NOVEMBER 29, 1988

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY OFFERED FOR SALE AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES.

NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

MEGASTAR VENTURES LTD.
407 - 535 Howe Street
Vancouver, B.C., V6C 2Z4

[The "Issuer"]

P R O S P E C T U S
NEW ISSUE

OFFERING OF 350,000 COMMON SHARES WITHOUT PAR VALUE

	PRICE TO PUBLIC	COMMISSION	NET PROCEEDS TO ISSUER
PER SHARE:	\$0.35	\$0.05	\$0.30
TOTAL:	\$122,500	\$17,500	\$105,000 *

* Less balance of costs of issue estimated to be \$7,500.

THE VANCOUVER STOCK EXCHANGE HAS CONDITIONALLY LISTED THE SECURITIES BEING OFFERED BY THIS PROSPECTUS. LISTING IS SUBJECT TO THE ISSUER FULFILLING ALL THE LISTING REQUIREMENTS OF THE VANCOUVER STOCK EXCHANGE ON OR BEFORE JUNE 12, 1989, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL REQUIREMENTS.

THIS OFFERING IS SUBJECT TO A MINIMUM SUBSCRIPTION OF 350,000 SHARES BEING RECEIVED BY THE ISSUER WITHIN 180 DAYS OF THE EFFECTIVE DATE OF DECEMBER 12, 1988. FURTHER PARTICULARS OF THE MINIMUM SUBSCRIPTION ARE DISCLOSED UNDER THE HEADING "PLAN OF DISTRIBUTION" HEREIN.

THERE IS NO MARKET FOR THE ISSUER'S SECURITIES. THE PRICE OF THE SECURITIES OFFERED HAS BEEN DETERMINED BY NEGOTIATION WITH THE AGENT.

PROPERTY FILE
D.L.
Tymar 104k/11-14

The bulk sample of vein material assayed 4.7 ounces Au and 1.99 ounces Ag per ton. The mine muck sample assayed 0.51 ounces Au and 0.37 ounces Ag per ton.

J. E. Wallis, P. Eng., in his Report of February 4, 1988 as revised on July 21, 1988, (attached hereto) states that surface sampling shows that gold and electrum is erratically distributed in a quartz vein up to two feet in width. The average sample taken by J.E. Wallis, P.Eng., across 2.67' of vein in the upper adit graded 0.21 oz. Au/ton, 0.31 oz. Ag/ton. A composite of mineralized quartz from the drilling of the upper adit assayed 1.0 oz. Au/ton, 0.82 oz. Ag/ton. The Property requires extensive surface exploration and diamond drilling.

Surface and underground development, plant, and equipment on the Property is as described above. The Issuer has carried out no exploration or development work on the Property.

A two-phase exploration program has been recommended by J.E. Wallis, P. Eng., in his said Report of February 4, 1988 (revised July 21, 1988). Phase 1 consists of geologic mapping, sampling and trenching followed by a 1,000 foot diamond drilling program. The Phase 1 program is estimated to cost \$120,000 (Issuer's share of costs - \$60,000). If Phase 1 is successful, a Phase 2 program consisting of extensive diamond drilling is recommended. The cost of Phase 2 could feasibly exceed \$400,000.

The Property is without a known body of commercial ore and the proposed program is an exploratory search for ore.

2. TYMAR PROPERTY, Atlin Mining Division, Province of British Columbia

The Issuer and Golden Kristy Resources Ltd. ("Kristy") of #803 - 470 Granville Street, Vancouver, British Columbia, entered into an option agreement (the "Option Agreement") dated for reference August 6, 1987 with Tymar Resources, of #803 - 470 Granville Street, Vancouver, British Columbia, providing the Issuer the option to purchase a 50% interest in the Tymar Property. The Tymar Property is comprised of the following mineral claims, all situated in the Atlin Mining Division of the Province of British Columbia:

<u>NAME OF CLAIM</u>	<u>RECORD NUMBER</u>	<u>EXPIRY DATE</u>
Canyon	2958	June 12, 1989
Bear	2957	June 12, 1989
Goat 1	2983	June 29, 1989
Goat 2	2984	June 29, 1989

(the "Claims")

The purchase price for the Claims is completion of a work program of \$60,000 on the Claims by December 31, 1988. The Issuer has earned its undivided 50% interest in the Claims by expending the sum of \$62,500 for exploration and

development work. No further work is planned for the Claims in the immediate future. Results of exploration drilling by major operators in the area will have a bearing on future dealing with the Claims.

No insiders of the Issuer are insiders of Kristy or principals of Tymar Resources. Kristy is presently seeking conditional listing on the Vancouver Stock Exchange and it has a prospectus under review by the Office of the Superintendent of Brokers for B.C.

The Claims are located in the Tulsequah area, 90 kilometers south of Atlin. The Claims are accessible by helicopter from Juneau, Alaska, or Atlin, British Columbia.

Gold discoveries were reported along the Taku River as early as 1875. The Tulsequah Chief property was discovered in 1923 and the Big Bull and Polaris-Taku mines shortly thereafter.

Consolidated Mining brought the Polaris-Taku mine into production and continued operating until 1951. During this period, a total of 719,336 tons of ore were milled which produced 231,603 ounces of gold (0.32 ozs. Au/ton). Between 1951 and 1957 mill feed was provided by the Tulsequah Chief and Big Bul Mines. During this period a total of 1,029,089 tons of ore was milled, yielding 94,254 ozs. Au, 3,400,773 ozs. Ag, 13,603 tons copper, 13,463 tons lead, 62,346 tons zinc and 227 tons cadmium. Declining ore reserves and metal prices forced closure of the operation in late 1957.

Improved metal markets and a more aggressive approach to mineral exploration has resulted in a large upswing in exploration activity in the Tulsequah area during recent months.

During 1987, the Issuer and Kristy carried out the following program on the Claims:

1. Airborne magnetic and VLF-EM surveys. Interpretation of the surveys shows the presence of six small conductors. A conductor of medium strength on the southwest corner of the Goat 2 Claim appears to be the most promising.
2. Ground follow-up consisting of establishing a 6.5 kilometer grid over the airborne anomaly.
3. Surveys were completed over the grid using a Sintrex Model MF-2 Fluxgate magnetometer and a Sabre Model 27 VLF-EM instrument.
4. The grid was rock sampled for geochemistry where practical.
5. The major drainage systems were prospected and at least one representative rock type collected for rock geochemistry.

There is no underground or surface plant or equipment on the Claims. There is no underground exploration or development, and surface exploration and development is as described above. The Claims are without a known body of commercial ore.