

**MEGA PRECIOUS METALS ACQUIRES 100% OPTION ON
THE HEADWAY PROPERTY, RED LAKE, ONTARIO**

Thunder Bay, Ontario
October 5, 2009

Shares Issued: 35,333,972

Mega Precious Metals Inc. (MGP:TSX-V) (“Mega”) is pleased to announce that it has signed a definitive agreement to acquire a 100% interest in the “Headway” property in the Red Lake, Ontario from King’s Bay Gold Corporation (“King’s Bay”).

The Headway property is located adjacent to Hwy 105, between the towns of Red Lake and Balmertown, Ontario, 2 km southwest of Goldcorp’s Red Lake Mines High Grade Zone. The property consists of six (6) patented claims and one (1) unpatented claim totaling approximately 320 acres. The property appears to have all of the essential geological elements including a well-developed intersection pattern of stratigraphic, shear/deformation zones that are associated with the high grade gold system on the adjacent mine properties. Mega’s exploration target is postulated to be hosted in Balmer age rocks occurring below the unconformity with the Confederation age rocks at 1,500 to 2500 metres deep. This theoretical target could be a new Bonanza, Replacement Zone, similar to, but south of Goldcorp’s High Grade zone.

The range of historic shallow diamond drill intercepts carried out under NI 43-101 compliant guidelines by King’s Bay in 2005 include 63.52 grams / tonne (g/t) gold over 0.5 metres (m) and 3.08 g/t over 10.8 m. True widths are unknown. Highlights of historical exploration include; 20.9 g/t gold over 0.94 m in drill core (H-13) and several surface grab samples exceeding 34 g/t gold. Gold is developed within quartz-carbonate +/- tourmaline +/- arsenopyrite veins associated with quartz-feldspar porphyry dykes that intrude altered and sheared mafic volcanics. These quartz-feldspar porphyry dykes appear to be intruded along deep-seated structures during the late stages of ore emplacement. This is evidenced by their structural relationships adjacent to and within the “ESC” and “High Grade” zones of Red Lake Gold Mines. The property appears to contain two east-west trending, gold-bearing structural zones in intersection with the deep-seated extension of the north east trending Madsen deformation zone.

King’s Bay Gold Corporation now holds a 100% interest to the mineral rights of the Headway Property. Initial payment obligation at signing of the Definitive Agreement between the parties is CAD\$340,000, issuance of 200,000 Mega shares and first year project expenditures of \$750,000. Of the \$340,000 to be paid on the signing of the Definitive Agreement, \$140,000 will be paid by Mega to Richview Resources, and \$200,000 will be paid by Mega to King’s Bay Gold Corporation.

Terms of the staged 3 year option agreement between Mega and King’s Bay include cash payments totaling CAD\$460,000, issuance of 4,425,000 common shares of Mega and project

expenditures of \$3,000,000. There is a 2.0% Net Smelter Royalty payable to the initial vendors of the property.

Jim Rogers, President and CEO of Mega states; "The Headway acquisition adds tremendous upside to our Red Lake base of properties. Modern deep drilling technology will allow us to test this exciting, theoretical, High Grade target."

The Company is in discussions with several proven drill contractors to help plan deep drill program to test the conceptual exploration model which may be viewed at http://www.megapmi.com/headway_gallery.

Terms and share issuance remain subject to TSX Venture Exchange and all regulatory approvals.

This press release is approved by Mr. Gord Yule, P.Geol., Qualified Person and Vice President Exploration for Mega Precious Metals Inc.

Jim Rogers, President and CEO, has 30 years experience, 20 in Red Lake as former Chief Mine Geologist at the Dickenson Gold Mine, forerunner to the prolific Red Lake Mine complex and most recently Regional Exploration Manager for Goldcorp in the Red Lake gold camp.

Mega Precious Metals Inc. is a well financed Canadian-based mineral exploration company with sufficient cash to carry out all planned exploration programs on properties in Northwestern Ontario, Nunavut and the Yukon. The Company is committed to an accelerated growth strategy, and is backed by a team of experienced mining experts and a strong financial position. The Company is poised for rapid expansion through quick response to new opportunities and changes in the market. Mega's common shares trade on the TSX Venture Exchange under the symbol MGP.

For further information and presentation material, please review the Mega website at www.megapmi.com

For further information, please contact:

Mega Precious Metals Inc.

Jim Rogers, President and Chief Executive Officer

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This news release includes certain forward-looking statements concerning the future performance of our business, its operations and its financial performance and condition, as well as management's objectives, strategies, beliefs and intentions. The Company does not intend, and does not assume any obligation, to update these forward-looking statements. Forward-looking statements are frequently identified by such words as "may", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. These forward-looking statements represent management's best judgment based on current facts and assumptions that management considers reasonable. The Company makes no representation that reasonable business people in possession of the same information would reach the same conclusions. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks and the availability of financing and as described in more detail in our recent securities filings available at www.sedar.com. Actual events or results may differ materially from those projected in the forward looking-statements and we caution against placing undue reliance thereon.

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