

**MEGA PROVIDES REVIEW OF 2011 EXPLORATION RESULTS AND EXPLORATION UPDATE FOR NORTH MADSEN AND HEADWAY PROJECTS IN RED LAKE, ONTARIO**

Thunder Bay, Ontario  
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Shares Issued: 92,783,580

**Mega Precious Metals Inc. (MGP:TSX-V)** (“Mega”) is pleased to provide a review of 2011 exploration results and ongoing exploration plans for the first half of 2012 on their gold properties in Red Lake Ontario.

In 2011 both of our Red Lake projects saw significant advances in their project evolution. At the North Madsen Project, Mega has completed a comprehensive due diligence study of the historical drill core, surface mapping, compilation of all technical data, diamond drilling, surface channel sampling stripping and detailed grid mapping. At Headway the combined drilling has confirmed the geological model and Hole MH1103 is now advancing toward the target horizon beyond the 2011 year end depth of 2462 metres (m).

**North Madsen Project:**

Some of the key 2011 North Madsen developments and results include:

- **Executed** > 12,000 metres of definition and step out drilling representing 52 drill holes
- **Updated** NI 43-101 compliant resource statement (see figure 1 at end of release):

<b>MEGA September 20, 2011 North Madsen Mineral Resource Estimate</b>			
<b>Classification</b>	<b>Tonnes</b>	<b>Gold Grade (grams/tonne)</b>	<b>Contained Ounces</b>
<b>Measured</b>	19,638,140	1.27	803,886
<b>Indicated</b>	3,838,000	1.08	133,281
<b>Measured + Indicated Sub Total</b>	23,476,140	1.24	937,167
<b>Inferred</b>	11,486,000	1.03	379,026

- Update represents a 4,113 % increase of gold in all categories to the previously reported Laverty Dyke indicated resource of 395,000 tonnes grading 2.56 g/tonne and 32,000 tonnes grading 3.32 g/tonne. (click [here](#) to view the Laverty Dyke estimate); and

- Sensitivity analysis indicates excellent potential to improve resource grades at lower gold prices and higher cut off grades.
- **Outlined** 3 additional open pit and high grade mineralized structures that host two different styles of mineralization.
- **Identified** multiple new targets along the D2 Fault Structure that is believed to directly relate to the emplacement of high grade gold in Red Lake (B. Dube Geological Survey of Canada).
- **Engaged** a minimum 5,000 m drilling contract with Forthright Drilling Services Inc. Drilling will commence mid January 2012.

For first half of 2012 the North Madsen exploration program will focus on the following (*see figure 2*):

- **Upgrading and extending** the Buffalo Extension open pit mineralization.
  - Current Buffalo Extension resource estimate includes 152,419 inferred ounces;
  - The results to date demonstrate that excellent potential remains to substantially increase the amount of ounces and outline the high grade mineralized systems.
- **Step out and Definition** drilling of previously released high grade South and Central Mineralized zones. These are located at the junction of the D2 Fault Structure and the main structure controlling mineralization at the Hasaga Mine.
  - Some of the historical drilling results were: 18.21 g/t / 3.65 m, 7.43 g/t / 1.0 m and 3.64 g/t / 5.6 m, 1.58 g/t / 6 m and 1.0 g/t / 9.0 m.
    - None of South and Central mineralized zone intercepts were included in the NI 43-101 resource statement.

## Headway Project:

Some of the key developments and aspects include:

- MH1103 is currently located at 2474 m and is coring (*see figure 3*).
  - Current rock type is a bleached mafic volcanic that has strong biotite, chlorite, ± andalusite, ± epidote, and silica alteration.
    - These bleached basalts are strongly leached in CAO, Fe<sub>2</sub>O<sub>3</sub>, MgO, MnO and Na<sub>2</sub> which represent the same geochemical signature as the rocks found in the Red Lake Mine.
- To date the drilling has confirmed the following:
  - The geological model has been proven to a depth of ~2601 m;
  - 2 of the holes have encountered the mafic/ultramafic volcanic sequence of the Balmer Assemblage that hosts high grade mineralization, which includes the current hole;

- The current geochemical signature of the mafic volcanic sequence is displaying very similar characteristics to the bleached mafic volcanics found in the Red Lake Mine; and
- The current known geological horizon is known to host the current sulphide and bonanza gold mineralization associated with the Red Lake Mines.

Mr. Rogers commented, *"Mega is committed to finding and making mines. Red Lake and the North Madsen area have a rich history of underground mining. Mega's approach to unlock the economic potential of the North Madsen Project is to compile and analyze the drilling and historical mining done throughout the years. I believe that when one steps back and considers the advances in mining technology, large scale equipment and improvements to milling, metallurgy and recovery that the North Madsen property is very comparable to districts where open pit mining is common place. The technical issues at Headway have delayed and overshadowed the project, however, we believe in the potential of a high grade zone(s) in the hanging wall of Goldcorp's Red Lake Gold Mines and our goal is to get to a target depth in 2012. We are excited and look forward to discovering new gold ounces and moving Mega's Red Lake and Monument Bay projects closer to feasibility in 2012."*

Glen Kuntz, Chief Operating Officer (COO), is the Qualified Person for the information contained in this press release and is a Qualified Person defined by National Instrument 43-101. Glen was Sr. Resource Geologist at the Campbell Gold Mine and Global Spatial Data Systems Coordinator for Placer Dome, Vice President Enterprise Mining Solutions for Runge Ltd., and most recently, Vice President Global Operations for GMC Global.

**Mega Precious Metals Inc.** is a well financed Canadian-based mineral exploration company with several projects in Northwestern Ontario, Manitoba and Nunavut. 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.

Figure 1: 2011 Block Model and Resource Distribution

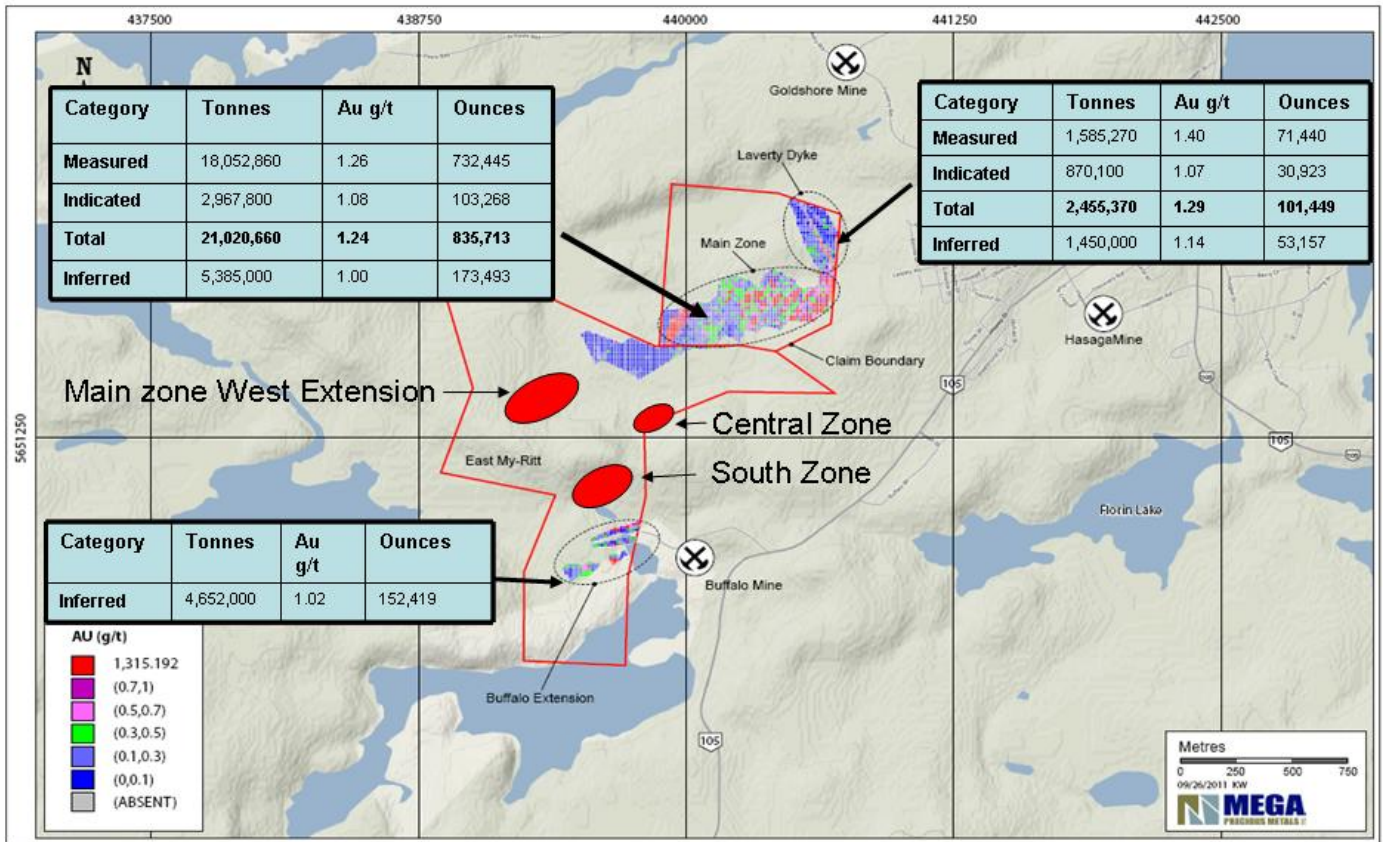


Figure 2: 2012 N. Madsen Exploration Program

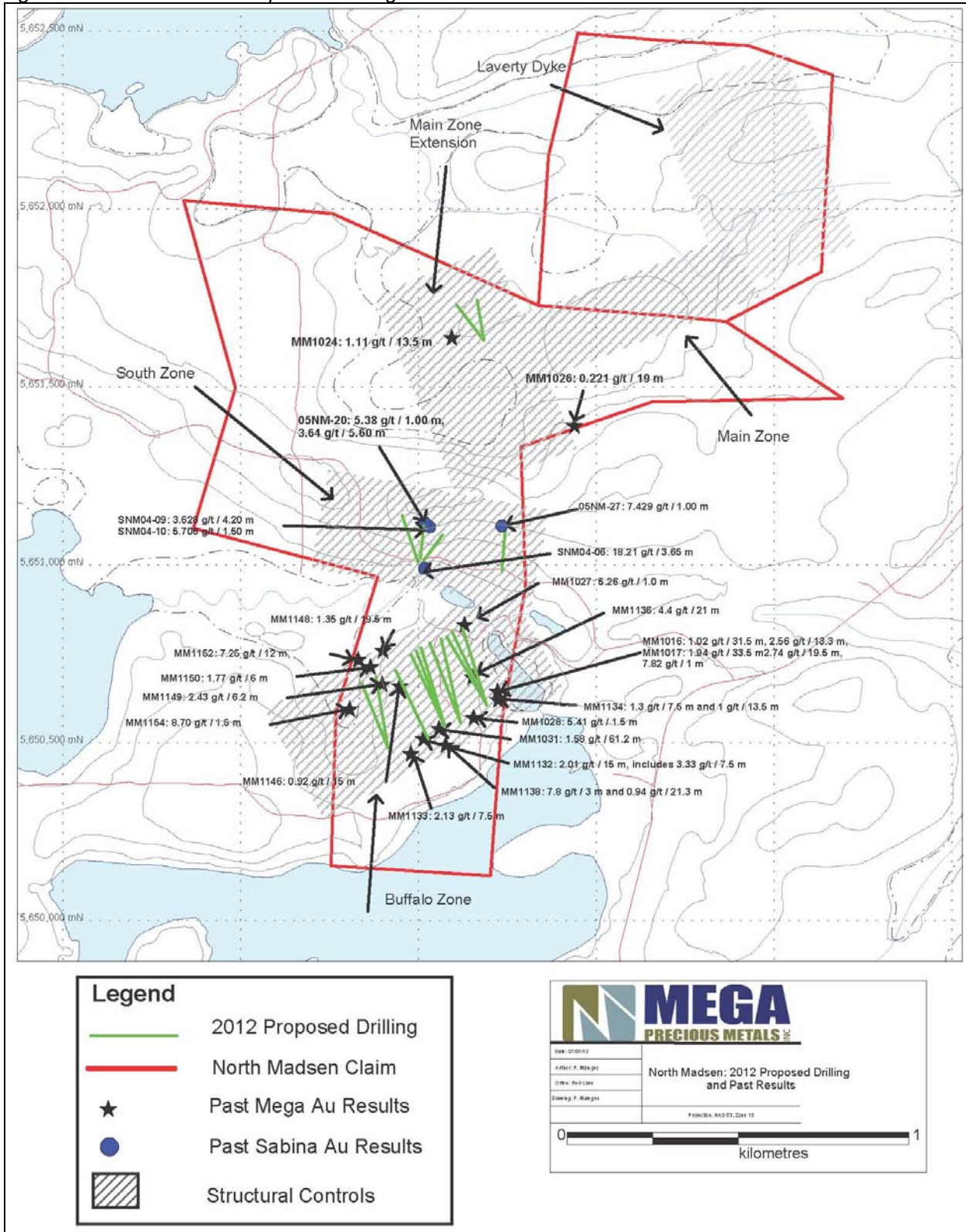
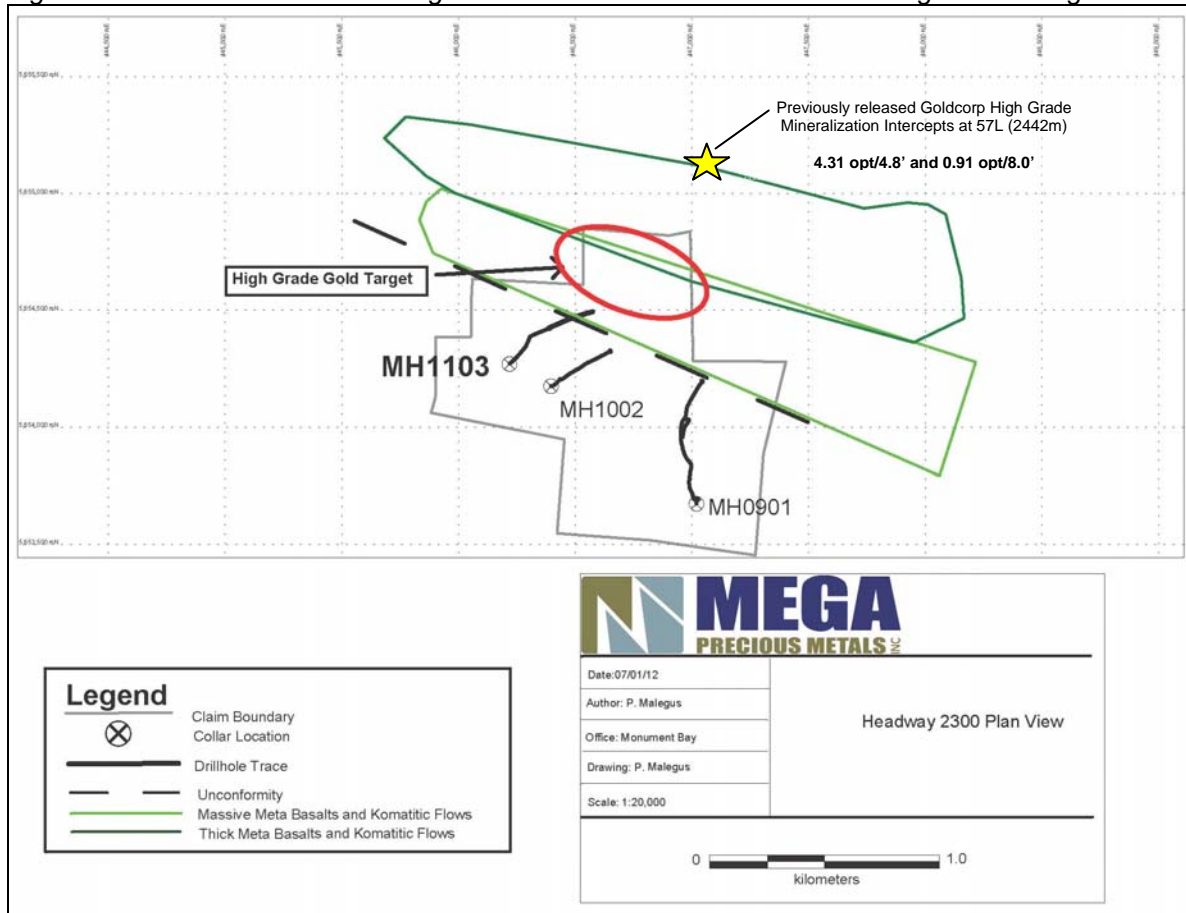


Figure 3: Plan view 2300 m showing location of MH 1103 in relation to the High Grade target area.



For further information and presentation material, please review the Mega website at [www.megapmi.com](http://www.megapmi.com)

**For further information, please contact:**

Mega Precious Metals Inc.  
 Jim Rogers, President and Chief Executive Officer  
 O: 807-766-3380  
 TF: 877-592-3380  
[info@megapmi.com](mailto:info@megapmi.com)

**Forward-looking Statements**

*Certain statements in this press release relating to the Company's exploration activities, project expenditures and business plans are "forward-looking statements" within the meaning of securities legislation. The Company does not intend, and does not assume any obligation, to update these forward-looking statements. 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. Forward-looking statements involve known and unknown risks,*

*uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. In particular, fluctuations in the price of gold or in currency markets could prevent the Company from achieving its targets. Readers should not place undue reliance on forward-looking statements. More information about risks and uncertainties affecting the Company and its business is available in Mega Precious Metal's filings which are posted on sedar at [www.sedar.com](http://www.sedar.com).*

*There is no guarantee that drill results reported in this news release will lead to the identification of a deposit that can be mined economically, and further work is required to identify a reserve or resource.*

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*