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FOR IMMEDIATE RELEASE

**MEGA SILVER INC. ANNOUNCES CONDITIONAL APPROVAL OF CHANGE
OF BUSINESS AND COMPLETION OF FINANCING**

Toronto, ON –January 18, 2008 – Mega Silver Inc. (“**Mega Silver**”) (TSXV: TSZ.h) is pleased to announce that it has received the conditional approval of the TSX Venture Exchange (the “**TSXV**”) to the completion of its change of business and property option acquisitions previously announced on September 18, 2007. As set forth in such press release Mega Silver has entered into agreements with three different vendors to acquire options to earn interests in several prospective silver exploration properties located in Mexico, British Columbia and the Yukon Territories. Completion of the change of business is subject to Mega Silver satisfying certain conditions that have been set out by the TSXV. Mega Silver anticipates that it will be able to meet these conditions and that the change of business will be completed within 10 business days from today.

For the purposes of the TSXV manual, the acquisition by Mega Silver of the mining property options constitutes a change of business to the mining sector. A copy of the filing statement dated as of January 16, 2008 with respect to its change of business has been filed by Mega Silver under its profile at www.sedar.com. Mega Silver is seeking the approval of a majority of its shareholders (by holdings) to the completion of the change of business as set forth in the filing statement.

The terms of the option agreements are summarized in the September 18, 2007 press release and the filing statement. Each of the optionors under the four above option agreements is at arm’s length with Mega Silver. Each of the optionors is a public company whose shares are publicly traded on the TSXV. Additional information with respect to each of the optionors, Silverstone Resources Inc., Endurance Gold Corporation and Strategic Metals Ltd., is available under their respective profiles at www.sedar.com.

In order to meet the financing conditions set forth in each of the option agreements, enable Mega Silver to incur the necessary exploration expenditures and be in a position to exercise any or all of the options as and when deemed advisable by Mega Silver and to ensure that Mega Silver has additional funds to cover general administrative and overhead expenses over the next 12 months Mega Silver previously completed two private placements pursuant to which it issued an aggregate of 13,000,000 subscription receipts (the “Subscription Receipts”) to raise aggregate gross proceeds of \$13,000,000, as announced in its press releases dated November 1 and November 5, 2007. Upon receipt of the above-noted conditional approval of the TSXV to the change of business and

property option acquisitions of Mega Silver, the release conditions with respect to the Subscription Receipts have now been satisfied and each Subscription Receipt will be exercised for no additional consideration into one unit of Mega Silver (a "Unit"), and the net proceeds of such private placements will be released to Mega Silver, each effective January 22, 2008. Each Unit will consist of one common share of Mega Silver and one-half of one warrant, with each whole warrant being exercisable to acquire one additional common share of Mega Silver at an exercise price of \$1.50 for a period of two years. ...Mega Silver also anticipates completing the flow-through unit portion of its financing (see September 18, 2007 press release) to raise gross proceeds of \$3,025,000 on or about January 23, 2008.

Sheldon Inwentash, the President of Mega Silver who will be resigning in connection with the change of business transactions commented, "Pinetree first acquired a position in Mega Silver over ten years ago. Since then, we were able to keep the Company in good standing during some difficult times for the benefit of all shareholders. We would like to thank our loyal shareholders for their patience and supporting our initiatives. We would also like to welcome our new shareholders who have demonstrated their confidence by investing over \$16 million in this new project. We have attracted some of Canada's leading institutional investors. We have now put together a top management team and a collection of silver assets and exploration projects that have good growth potential. I would like to personally welcome the new team and wish them much success in building Mega Silver." Ken Carter, the incoming President added, "With this solid slate of projects and strong silver market fundamentals, we are excited to build on these projects and will look to grow Mega Silver's projects in the future".

A further press release will be issued upon completion of the change of business and prior to the commencement of trading of Mega Silver's common shares under its new symbol "MSR".

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The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Certain statements contained in this news release may contain forward-looking information within the meaning of Canadian securities laws. Such forward-looking information are identified by words such as "estimates", "intends", "expects", "believes", "may", "will" and include without limitation, statements regarding the Company's plan of business operations; ability to negotiate and enter into definitive agreements; potential benefits of the acquisitions; the costs and timing

associated with integrating the acquisitions; production levels, timing and costs; potential contractual arrangements and the delivery of equipment; receipt of working capital; anticipated revenue; mineral reserve and resource estimates; and projected expenditures. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from such statements. Factors that could cause actual results to differ materially include, among others, metal prices, third party risks, acquisition risks, risks inherent in the mining industry, financing risks, regulatory risks and environmental concerns. Most of these factors are outside the control of the Company. Investors are cautioned not to put undue reliance on forward-looking information. Except as otherwise required by applicable securities statutes or regulation, the Company expressly disclaims any intent or obligation to update publicly forward-looking information, whether as a result of new information, future events or otherwise.

*This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold within the United States to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*