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**FOR IMMEDIATE RELEASE**

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

Toronto, ON –January 29, 2008 – Mega Silver Inc. (“**Mega Silver**”) (TSXV: TSZ.H) is pleased to announce that it has received the approval of the TSX Venture Exchange (the “**TSXV**”) to complete 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. It is anticipated that Mega Silver’s common shares will commence trading under the new symbol MSR on Thursday, January 31, 2008.

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. Mega Silver has satisfied applicable TSXV requirements with respect to the change of business including the preparation of a filing statement. A copy of the filing statement dated as of January 16, 2008 has been filed by Mega Silver under its profile at [www.sedar.com](http://www.sedar.com). In accordance with the rules of the TSXV, Mega Silver has received the written consent from shareholders holding in excess of a majority of the issued and outstanding shares to the change of business as described in the filing statement. Mega Silver has re-activated by completing the change of business and has transferred its listing to the TSXV.

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 option agreements is at arm’s length with Treat. 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](http://www.sedar.com). Immediately after completion of the change of business Mega Silver will issue 300,000 common shares to Silverstone Resources Inc. and 150,000 common shares to Strategic Metals Ltd. and will make a \$25,000 cash payment to Endurance Gold Corporation, as required by the terms of their respective property option agreements

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. On January 17, 2008 the release conditions with respect to the Subscription Receipts were satisfied and as of January 22, 2008 each Subscription Receipt was exercised for no additional consideration into one unit of Mega Silver (a "**Unit**"), and the net proceeds of such private placements were released to Mega Silver. Each Unit consists 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 announces that it has completed the flow-through unit portion of its financing (see September 18, 2007 and January 18, 2008 press releases), Mega Silver issued a total of 2,750,000 flow-through units at an issue price of \$1.10 per unit for gross proceeds of \$3,025,000. Each flow-through unit consists of one flow-through common share and one-half of one non flow-through common share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one additional common share of Mega Silver (which is a non flow-through share) at any time until January 29, 2010, at an exercise price of \$1.60 per common share. As consideration for its services on the non-brokered flow-through portion of the financing, Mega Silver also issued warrants to PI Financial Corp. to purchase 137,500 common shares at an exercise price of \$1.60 over a two year term. The flow-through funds raised from the issuance of the flow-through units will be used for general exploration expenditures, which will constitute Canadian exploration expenses (as defined in the Income Tax Act).

Following completion of the change of business, after giving effect to the issuance of 450,000 common shares pursuant to the property option agreements and after giving effect to the completion of the flow-through unit financing, Mega Silver will have 30,591,784 issued and outstanding common shares on a non-diluted basis and 36,058,584 issued and outstanding shares on a fully-diluted basis.

As a result of completion of the change of business, Mr. Sheldon Inwentash has resigned and Mr. Ken Carter has replaced Mr. Inwentash both as a director of Mega Silver and as President of Mega Silver. It is anticipated that management of Mega Silver will be transferred to Vancouver where Mr. Carter will be putting together a new management team.

As part of the completion of the change of business, an aggregate of 4,646,536 common shares and warrants to purchase 678,000 common shares held by

certain directors, officers and insiders of Mega Silver have been placed in escrow with Pacific Corporate Trust Company pursuant to a value security escrow agreement as mandated by the rules of the TSXV. On the issuance of the TSXV bulletin announcing the completion of the change of business 10% of such escrowed securities will be released to the holders thereof.

For further information please contact Ken Carter at [kcarter@megasilver.ca](mailto:kcarter@megasilver.ca) or Richard Patricio, Director, at 416.941.9600 ext. 5099, or go to Mega Silver's website [www.megasilver.ca](http://www.megasilver.ca).

*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.*