FOR IMMEDIATE RELEASE   **TSX-V: SNA**

<u>**STAR NAVIGATION PROVIDES CORPORATE UPDATE**</u>

TORONTO, ONTARIO, June 8, 2012 - Star Navigation Systems Group Ltd. (TSX - V: SNA) ("Star" or the "Company"), is pleased to provide an update on various corporate initiatives.

<u>Star Server Unit ("SSU") Completion</u>

The Company's next generation G2 Star Server Unit is complete. The new unit is the heart of the STAR-ISMS® system and the G2 version combines smaller size, less weight, increased operational efficiency, high speed and a more favourable price point. The STAR-ISMS ® equipment will provide on-board data analysis allowing transmission of critical real-time data to Paradigm's Data Management Center, providing a host of valuable options to the customer and the industry.

<u>Paradigm Services</u>

As noted in Star's press release dated June 22, 2011, the Company entered into a formal agreement with Paradigm Services Limited, an affiliated company of Astrium Services, to provide a one-stop shop to market and sell a satellite communications service to aviation companies. Astrium, a unit of the European Aeronautic Defense and Space Company (EADS), and Star have utilized the period subsequent to execution of the agreement for the purpose of integrating their respective roles and expertise and designing operational interfaces. The agreement contemplates a number of pilot projects demonstrating the new ADS and these are expected to be announced in the near future. The pilot projects are intended to demonstrate the ability of the system to enhance safety, help reduce fuel and maintenance costs, and provide quick, comprehensive reporting to management on multiple aspects of flight operations. A state of the art ground station is nearly complete. In our opinion, this ground station provides a level of information unsurpassed in the industry. Currently both Star and Paradigm personnel are completing V,V &T (Verification Validation and Testing) of the ADS to verify the analyzing, sending and receiving of high speed essential information and reporting that will provide major airlines both reliability and safety enhancements.

Midwest Airlines (Egypt)

In April 2012, Star received the Transport Canada approved STC for the installation of the STAR-ISMS® on one 737-800 aircraft operated by Midwest Airlines in Egypt. The Company is now awaiting the availability of the designated aircraft so that installation of the STAR-ISMS® System can commence. Star and MidWest are also awaiting an ECO (Engineering Change Order) from the Egyptian Civil Aviation Authority.

India

Star continues its efforts in India to secure the necessary Aeromobile License, required to operate Star's STAR-ISMS® System in Indian airspace.

Pakistan International Airlines ("PIA")

Star and PIA have been in detailed discussions to provide a cost effective solution to enhance operational efficiencies and safety at PIA. PIA has recently had major changes in top management and Star is awaiting the next step in negotiations.

Shaheen Air International

In mid-September 2010, the Company entered into an agreement with Shaheen Air International of Pakistan to install the STAR-ISMS® System on one of the airline's Boeing 737-200/300 aircraft. Due to scheduling issues resulting from significantly greater than normal operational demands on Shaheen's fleet, work on obtaining the required Supplemental Type Certificate approval was intermittent. Shaheen Air has now decided to upgrade its fleet and has sold its 737-200/300 aircraft. As a result, discussions are underway with respect to installation on its new aircraft.

China

Scheduling extensions continue with respect to the C919, China's first indigenously-manufactured large passenger aircraft. Star is advised that no decisions have been made with respect to the inclusion of the STAR-ISMS® System in the C919. Star is in regular contact with the Commercial Aircraft Corporation of China, Ltd. ("COMAC") and continues to monitor the situation.

Litigation Update:

As announced on May 18, 2012, the litigation between Star Navigation Systems Group Ltd. and FLYHT Aerospace Solutions Ltd. (formerly Aeromechanical Services Ltd.) (TSX-V: FLY) has been settled.

The litigation was originally commenced in 2007 as a result of a lawsuit launched by Star's former President and Chief Technology Officer, Hilary Vieira ("Vieira"). Star counterclaimed against Vieira, AMS and others for unspecified damages and sought a permanent injunction against AMS with respect to claims of inducing breach of contract and interference with economic relationships resulting from AMS's alleged dealings with Vieira. AMS, in turn, counterclaimed against Star in the amount of $20,000,000 for interference in contractual relationships, lost revenue, loss of reputation and loss of goodwill.

Under the Settlement, each party released the other of any and all claims either might have against the other existing up to the date of the execution of the Release. The Settlement has no provision for any payment to be made by either party.

Management and the board of Star felt that it had a strong litigation position, but decided to settle as it was felt that the value of any monetary award received would not warrant committing additional resources to this matter. The Company felt that it had achieved its main goals in the litigation and that its resources were best focused on continuing to monetize Star's technology and know-how.

The Company will continue to strongly defend its Intellectual Property against any infringement.

Major Manufacturers

The Company continues discussions with CMC Electronics Inc. (see release January 26, 2011). Star personnel have visited CMC in Montreal twice recently to work towards meaningful deliverables to provide CMC customers with value added benefits for enhanced safety and operational efficiencies.

CAR 561 Update

A Transport Canada Program Validation Inspection of Star Navigation was carried out in August 2011. The purpose of the Program Validation Inspection ("PVI") was to verify that Star has effectively implemented a Quality Assurance Program by examining selected functional area systems, procedures, and the approved company manual. After review by Transport Canada, the PVI was successfully closed.

Star is an approved manufacturer of the STAR- ISMS® in accordance with Canadian Aviation Regulations ("CAR's") 561. The CAR 561 certificate allows Star to declare the airworthiness for newly manufactured ISMS product.

AS9100 Rev. C Update

Star successfully achieved AS9100 Rev. "C" in 2011. AS9100 Rev. "C" is the international quality management system standard for the aerospace industry. The standard provides manufacturers and suppliers with a comprehensive internationally recognized quality system for providing safe and reliable products to the aerospace (civil, military) industry.

Following the annual audit in January 2012, BSI (the certifying organization) recommended Star for continued certification. Star continues to build and improve upon the quality processes, infrastructure, planning strategies and risk management involved in the design and manufacture of our products along the entire supply chain to achieve a high level of customer satisfaction and increased market penetration.

About Star Navigation: (www.star-navigation.com)

Star Navigation Systems Group Ltd. owns the exclusive worldwide license to its proprietary, patented In-flight Safety Monitoring System, STAR-ISMS®, the first system in the world to feature in-flight data-analysis, monitoring and diagnostics with a real-time connection between aircraft and ground. Its real-time capability of tracking performance-trends and predicting incident-occurrence enhances aviation safety and improves fleet management while reducing costs for the operator.

Forward Looking Statements

Certain statements contained in this News Release constitute forward-looking statements. When used in this document, the words "may", "would", "could", "will" and similar expressions, as they relate to Star or its management are intended to identify forward-looking statements. Such statements reflect Star's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause Star's actual performance or achievements to vary from those described herein. Should one or more of these factors or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

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