

FORM 51-102F3
MATERIAL CHANGE REPORT

ITEM 1. REPORTING ISSUER

Star Navigation Systems Group Ltd.
2970 Lakeshore Blvd. W., Suite 300,
Toronto, ON M8V1J7

ITEM 2. DATE OF MATERIAL CHANGE

August 24, 2012

ITEM 3. NEWS RELEASE

Press release in the form attached as Schedule "A" was disseminated on August 28, 2012 via Marketwire.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced extension of warrant term.

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

For a full description of the material change, please refer to the press release attached hereto.

ITEM 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable

ITEM 7. OMITTED INFORMATION

No information has been omitted on the basis of confidentiality.

ITEM 8. EXECUTIVE OFFICER

The following officer of the Company is knowledgeable about the material change and the Report:

Viraf S. Kapadia
Chief Executive Officer
(416) 252-2889

ITEM 9. DATE OF REPORT

Dated at Toronto, Ontario this 29th day of August, 2012.

By: (signed) Viraf S. Kapadia
Viraf S. Kapadia

Schedule "A"

STAR EXTENDS TERM OF WARRANTS

TORONTO, Ontario, August 28, 2012, –Star Navigation Systems Group Ltd. (TSX Venture: SNA) ("Star" or the "Company") is pleased to announce that the TSX Venture Exchange (the "Exchange") has consented to the extension of the term of 10,875,000 common share purchase warrants issued pursuant to a private placement accepted for filing by the TSX Venture Exchange September 20, 2010 (the "Warrants"). The Warrants, set to expire on September 16, 2012, will now expire on September 15, 2015. Each Warrant will continue to entitle the holder thereof to purchase one common share of Star at an exercise price of \$0.20.