

**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**

November 2, 2012

**ITEM 3. NEWS RELEASE**

Press release in the form attached as Schedule "A" was disseminated on November 2, 2012 via Marketwire.

**ITEM 4. SUMMARY OF MATERIAL CHANGE**

The Company announced application for Shares for Debt conversion.

**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 5th day of November, 2012.

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

Schedule "A"

**TORONTO, November 2, 2012 - Star Navigation Systems Group Ltd. (TSX-V: SNA) ("Star" or the "Company")**, announces that it has applied for regulatory approval for a shares for debt conversion transaction (the "Debt Settlement").

The Company has entered into agreements with several creditors, including two directors and an officer of the Company, pursuant to which the Company will issue from treasury, 2,550,463 common shares of the Company ( the "Debt Settlement Shares") at a deemed price of \$0.08 per share in settlement of outstanding amounts. The Debt Settlement will result in reducing Star's debts by \$204,037. The Company decided to satisfy the indebtedness with shares in order to preserve cash. The issuance of the Debt Settlement Shares will not result in a change of control and the transaction is subject to TSX-Venture Exchange approval. The shares issued will be restricted from sale for a period of four months plus a day after the date of issue.