

**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**

February 18, 2013

**ITEM 3. NEWS RELEASE**

Press release in the form attached as Schedule "A" was disseminated on February 21, 2013 via Marketwire.

**ITEM 4. SUMMARY OF MATERIAL CHANGE**

The Company announced grant of options.

**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 22nd day of February, 2013.

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

**Schedule "A"**

Star Navigation Announces Option Grants

**TORONTO, ONTARIO--(Marketwire - Feb. 21, 2013) -Star Navigation Systems Group Ltd. (TSX VENTURE: SNA) ("Star" or the "Company")**, is pleased to announce that pursuant to its 2006 Incentive Stock Option Plan, as amended, the Board of Directors of the Company has approved the grant of incentive stock options to purchase 1,700,000 common shares in the capital stock of the Company to certain officers and directors of the Company (the "Grantees"). The options expire February 17, 2018, are exercisable at prices between \$0.12 and \$0.15 per share and vest four months from the date of issue.

The Board of Directors of the Company utilizes stock options as long-term incentives to certain directors, officers, employees and consultants of the Company as part of its overall strategy. The Compensation and Corporate Governance Committee of the Board of Directors believes that stock option grants serve the Company's compensation philosophy in two ways: firstly, it helps attract, retain, and motivate talent; secondly, it aligns the interests of those granted stock options with those of the shareholders by linking a specific portion of that person's compensation to share price.