

**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

May 6, 2013

ITEM 3. NEWS RELEASE

Press release in the form attached as Schedule "A" was disseminated on May 6, 2013 via Marketwire.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced completion of a private placement of Units.

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 7th day of May, 2013.

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

Schedule "A"

Star Navigation Announces Completion of Private Placement

TORONTO, Ontario, May 6, 2013, –Star Navigation Systems Group Ltd. (TSX-V: SNA) ("Star" or the "Company") is pleased to announce that, subject to TSX-Venture Exchange ("TSX-V") acceptance, Star has completed a non-brokered private placement of 10,030,000 units of the Company at a price per Unit of \$0.10 (the "Units"), for gross proceeds totaling \$1,003,000. The price was reserved with the TSX-V.

Each Unit consists of one common share and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one common share of the Company (a "Warrant Share") at a price of \$0.20 per Warrant Share for a term of 36 months from the closing date. Finder's fees on portions of the placement in the amount of \$87,300 will be paid in Units.

All securities issued in the Offering and any shares issued upon exercise of Warrants are subject to a four month statutory hold period from the date of issuance. The net proceeds of the placement will be used for research and development, marketing and general working capital purposes.