## 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 10, 2013

## ITEM 3. <u>NEWS RELEASE</u>

Press release in the form attached as Schedule "A" was disseminated on May 10, 2013 via Marketwire.

## ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced installation change

## ITEM 5. <u>FULL DESCRIPTION OF MATERIAL CHANGE</u>

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. <u>EXECUTIVE OFFICER</u>

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. <u>DATE OF REPORT</u>

Dated at Toronto, Ontario this 29th day of May, 2013.

By: <u>(signed) Viraf S. Kapadia</u> Viraf S. Kapadia

## Schedule "A"

TORONTO, Ontario, May 9, 2013, –Star Navigation Systems Group Ltd. (TSX-V: SNA) ("Star" or the "Company") announces that it has been advised by Midwest Airlines (Egypt) ("Midwest") that Midwest is planning changes to its fleet and that it has requested that Star delay the installation planned for a Boeing 737-800 (see press release March 20, 2013) until alternate aircraft are ready to be placed in service.

<u>Star' contract with Midwest remains in place and deposits already received will be applied to the new installations.</u>