

**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 20, 2014

ITEM 3. NEWS RELEASE

Press release in the form attached as Schedule "A" was disseminated on February 20, 2014 via Marketwire.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced an agreement to purchase assets and Warrant term extension.

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 24th day of February 2014.

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

Schedule "A"

Star Navigation Systems Group Ltd. (TSX VENTURE: SNA) ("Star" or the "Company") is pleased to announce that it has entered an agreement of purchase and sale whereby Star will acquire the assets, client list and IP (including numerous patents) of an aerospace products company in Canada. The assets to be acquired will expand Star's ability to secure and improve the efficiency of its supply chain, enhance its product offering in commercial and military equipment, generate additional revenue and integrate its manufacturing and research and development areas more effectively.

The transaction is subject to a due diligence period, the negotiation and preparation of supporting documentation and to the filing of required TSX Venture Exchange (the "Exchange") material.

The Company is also pleased to announce that the Exchange has consented to the extension of the term of 15,200,000 common share purchase warrants issued pursuant to a private placement accepted for filing by the Exchange February 29, 2012 (the "Warrants"). The Warrants, set to expire on February 24, 2014, will now expire on February 24, 2017. Each Warrant will continue to entitle the holder thereof to purchase one common share of Star at an exercise price of \$0.30.