

**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

June 2, 2014

ITEM 3. NEWS RELEASE

Press release in the form attached as Schedule "A" was disseminated on June 3, 2014 via Marketwire.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced the sale of Star-A.D.S. systems.

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 3rd day of June 2014.

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

Schedule "A"

TORONTO, Ontario, June 3, 2014, – Star Navigation Systems Group Ltd. (TSX Venture: SNA) (OTCBB: SNAVF) ("Star" or the "Company") announces that it has received a firm purchase order from one of its distributors in Asia for Five (5) STAR-A.D.S.™ systems and Four (4) STAR- ISMS® Lite systems, together with associated communications and reporting services.

Mr. Viraf Kapadia, CEO of Star Navigation stated:

“This is a great opportunity for Star to provide the services and benefits of our STAR-A.D.S.™ and STAR-ISMS® Lite systems to both regional and business jets, and to obtain further Supplemental Type Certificates to add to our portfolio. We are also looking forward to enhancing our long-term relationships with our distributor network, which will provide increased visibility to Star and its increasing number of product offerings in both the STAR-ISMS and STAR –MMI Divisions.

This systems contract is valued at over \$1,500,000, based on list price. In addition, the initial five (5) year term of the services contract will generate annual services revenue. It also confirms the appeal of our solutions not only for commercial airlines, but also for regional and business aircraft operators as well”`