

**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

August 29, 2008

ITEM 3. NEWS RELEASE

Press release in the form attached as Schedule "A" was disseminated on August 29, 2008.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced the sale of 6 further ISMS Lite units to Skylink Aviation Inc.

ITEM 5.1 FULL DESCRIPTION OF MATERIAL CHANGE

See attached Schedule "A" for a full description.

ITEM 5.2 DISCLOSURE FOR RESTRUCTURING TRANSACTIONS

Not Applicable

ITEM 6. RELIANCE ON SECTION 7.1(2) 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 January, 2011.

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

Schedule "A"



Star Navigation Announces Additional Sale of its TERRASTAR Lite™ to SkyLink Aviation

TORONTO, August 29, 2008 - Star Navigation Systems Group Ltd. (TSX-V: SNA) ("Star" or the "Company"), a leading edge technology company focused on providing Aerospace Solutions, both hardware and software platforms to assist aviation operators worldwide, is pleased to announce an additional sale of its TERRASTAR Lite™ system to SkyLink Aviation.

The sale includes six units for SkyLink Aviation, and because of the success of the TERRASTAR Lite™ units in international operations, SkyLink USA has also ordered two units. This brings the total number of units sold to sixteen for SkyLink (see Press Release June 6, 2008). Gross hardware and airtime revenue over a five year period for all sixteen units, in normal use, is in a range of approximately a minimum of \$322,000 to a maximum of \$430,000.

The TERRASTAR Lite™ provides Flight Tracking, Asset Management, Two-way Data/Voice Communications, and Backup Emergency SOS/Distress Capabilities.

Mr. Dusko Lekic, Country Manager, SkyLink Afghanistan said:

“ I would like to take this opportunity and thank you and all your team from Star Navigation for your support.

Having in mind all difficulties, different time zones and your readiness to listen and dedication to solve the problem I think we accomplish a huge success and improve our Flight Operations and Security in volatile environment such as Afghanistan. Also, I would like to emphasize the relationship which we built up in last couple of months...it passed the classical Customer - Client relations far beyond and I'm really happy about that.

Once again, on behalf of all our Crews who are using your system on our aircraft, we want to thank you for such a "communication" improvement, which is vital in this environment and looking forward to continue our mutual cooperation.”

Mr. Dale F. Sparks, Chief Technology Officer of Star Navigation Systems stated: “We are very proud to be working with SkyLink Aviation and to supporting their humanitarian

efforts and related programs. We were intrigued by the challenges of having our technology operating in Afghanistan, one of the toughest environments in the world and the statement by Mr. Lekic is a testament to the significance and the capabilities of Star's aviation technologies."

SkyLink Aviation Inc. is an international aviation group that specializes in Project Management, Air Charters, Aviation Support, Aircraft Maintenance, Air Courier, Executive Air Charters as well as Flight Planning and Clearance Services. SkyLink Aviation has become a global leader in rapid deployment of peacekeepers and international humanitarian aid, including food and equipment, during war, major disasters and pandemics for clients such as the United Nations, World Food Programme, USAID, INS (Homeland Security), IOM, the Canadian Government, the Red Cross, the Italian Interior Ministry and other national governments and NGOs.

This press release is available on the company's official on-line investor relations site for investor commentary, feedback and questions. Investors are asked to visit <http://www.agoracom.com/ir/StarNavigation> and view the Star Navigation IR HUB. Alternatively, investors are asked to e-mail all questions and correspondence to SNA@Agoracom.com

About Star Navigation:

Star Navigation Systems Group Ltd.(www.star-navigation.com) owns the exclusive worldwide license to its proprietary, patented In-flight Safety Monitoring System, the first system in the world to feature in-flight data-analysis, monitoring and diagnostics with a real-time connection between aircraft and ground. Its real-time capability of tracking performance-trends and predicting incident-occurrence enhances aviation safety and improves fleet management while reducing costs for the operator.

Certain statements contained in this News Release constitute forward-looking statements. When used in this document, the words "may", "would", "could", "will" and similar expressions, as they relate to Star or its management are intended to identify forward-looking statements. Such statements reflect Star's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause Star's actual performance or achievements to vary from those described herein. Should one or more of these factors or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Star does not assume any obligation to update these forward-looking statements.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

For further information:

please visit www.star-navigation.com or
Viraf Kapadia, CEO,
viraf.kapadia@star-navigation.com

AGORACOM Investor Relations
Investor Relations

SNA@agoracom.com

<http://www.agoracom.com/ir/StarNavigation>