

**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

October 29, 2008

ITEM 3. NEWS RELEASE

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

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced that it had signed an MOU with an undisclosed Chinese government manufacturer.

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 MOU WITH CHINESE GOVERNMENT MANUFACTURER AND PLANS TO ATTEND ZHU HAI AIRSHOW IN CHINA NOVEMBER 2008

TORONTO, Oct. 29, 2008 -- Star Navigation Systems Group Ltd. (TSX-V: SNA) ("Star" or the "Company"), a leading edge technology company focused on providing Aerospace Solutions to aviation operators worldwide, is pleased to announce that it is in discussions with an undisclosed state owned avionics corporation in China with respect to forming a strategic relationship. A Memorandum of Understanding ("MOU") has been signed and the terms and conditions of a detailed Collaborative Framework Agreement ("CFA") have been agreed upon by the parties. Star personnel are presently traveling to China to sign the CFA at the Zhuhai Airshow in Guangdong, China. It will then be used as the basis for supplying Star's TERRASTAR:Real-Time Monitoring system to Chinese Original Equipment Manufacturers ("OEM") for installation on new commercial passenger aircraft manufactured by the biggest commercial aircraft manufacturers in China as the parties will work together with the intent to enter into a final partnership agreement/contract. China has already begun making large commercial aircraft and has raised the possibility of competition for Boeing and Airbus in the country's booming market for new planes.

This joint collaborative venture is going to assist in bridging the gap of digital divide in China and should provide the Real-Time Monitoring and data analysis capabilities needed to satisfy the demands of the aviation industry in China.

Mr. Viraf Kapadia, CEO of Star stated: "After several months of effort, we are very excited at this opportunity. China is a strategic region for us and we will continue to pursue it ambitiously. This Chinese initiative compliments our other ongoing efforts in the region. "

Star will be attending the China International Aviation & Aerospace Exhibition (Airshow China) which will take place November 4th – 9th in ZhuHai, Guangdong Province, in southern China. Members of Star's engineering team will be arriving in China this week to continue with the technical integration discussions. Airshow China is the only international aerospace trade show in China that is endorsed by the Chinese central government. It features the display of real-size products, trade talks, technological exchange and flying display. With the vigorous development of the Chinese aerospace industry and especially the launch of the "Large Aircraft Project", Airshow China will reward exhibitors with unprecedented business opportunities.

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.

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

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

Please visit www.star-navigation.com or contact Viraf Kapadia, CEO, viraf.kapadia@star-navigation.com; AGORACOM Investor Relations, Investor Relations, SNA@agoracom.com, <http://www.agoracom.com/ir/StarNavigation>