

**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

April 29, 2009

ITEM 3. NEWS RELEASE

Press release in the form attached as Schedule "A" was disseminated on
May 20, 2009.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced settlement of litigation and assignment of patent.

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 Settlement of Litigation and Assignment of Patent Rights

TORONTO, May 20 /CNW/ - 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 that it has reached a settlement in the action commenced by its former President, Hilary Vieira. As part of the settlement, Mr. Vieira has agreed to dismiss his suit against Star, Viraf S. Kapadia and former Star director Peter Verbeek, and provide a full release of all claims made by him in that action. Star has in turn agreed to dismiss its counterclaim against Mr. Vieira and provide a release to him of its claims. (See press releases dated May 17 and September 18, 2007). (Star's claims against Aeromechanical Services Ltd. (TSX-V: AMA) and others are not part of the settlement).

Mr. Vieira has also agreed to fully and completely cooperate and provide full disclosure to Star and Mr. Kapadia in any current or future litigation in relation to U.S. Patent No. 7,113,852 ("the ISMS Patent"), including the litigation currently outstanding with Aeromechanical Services Ltd. ("AMS") and others.

Mr. Vieira has further agreed to not have any commercial relations with Aeromechanical Services Ltd., I-Trax International Corp., Kerrie Acquisition Corporation or any of their associates or subsidiaries and, for a period of two years and will not have any commercial relations with any of Stars' direct competitors, their associates or subsidiaries.

Pursuant to this settlement, the Company has agreed to pay to Mr. Vieira \$116,000 in cash and issue to him 1,000,000 common shares at a deemed price of \$0.06 per share. The Company had accrued a greater amount as being payable to Mr. Vieira for his past services. The Company will therefore eliminate over \$500,000 in debt from its balance sheet.

In a separate transaction, Mr. Vieira has agreed to assign all of his interest in the ISMS Patent to Viraf S. Kapadia, CEO of Star and Co-Inventor of the ISMS Patent. Upon completion of registration of documents at the U.S. Patent and Trademark Office, Mr. Kapadia will be the sole and unrestricted owner of the ISMS Patent. No consideration was paid by Star with respect to this transaction. Star owns the exclusive worldwide license to the ISMS Patent, upon which Star's Terrastar: RTM(TM) technology is based.

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.

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of the content of this release.

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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\(at\)Agoracom.com](mailto:SNA(at)Agoracom.com)
%SEDAR: 00009078E

/For further information: please visit www.star-navigation.com or Viraf Kapadia, CEO, (416) 252-2889, [viraf.kapadia\(at\)star-navigation.com](mailto:viraf.kapadia(at)star-navigation.com) / (SNA.)

CO: Star Navigation Systems Group Ltd.

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