

**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

May 17, 2007

ITEM 3. NEWS RELEASE

Press release in the form attached as Schedule "A" was disseminated on
May 17, 2007.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced pending litigation.

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 14th day of January, 2011.

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

Schedule "A"



Pending Litigation

TSX Venture Exchange Symbol: SNA

TORONTO, May 17 /CNW/ - Mr. Viraf Kapadia, Co-C.E.O. of Star Navigation Systems Group Ltd. ("Star"), developer of Flight Safety and Fleet Monitoring Systems, announces pending litigation.

As previously announced, the employment of Hilary Vieira, the former President and Technical Director of Star, was terminated for cause on January 4, 2007.

As expected, Mr. Vieira commenced a civil action in the Ontario Superior Court of Justice for breach of contract and other relief related to the termination of his employment from Star, and for a determination that Star's exclusive license for the technology, "System & Method for Transportation Vehicle Monitoring, Feedback & Control", jointly granted by Mr. Kapadia and Mr. Vieira, the holders of the patent, is not in force. Documents were served on Star this week.

The Board of Directors of Star considers this lawsuit to be entirely without merit and will vigorously defend the action. Star has not breached, and is not in breach of the license agreement and that agreement does not permit unilateral termination by Mr. Vieira in any case. It is the position of Star and its legal counsel that the agreement is in full force and effect. In addition, Star intends to launch a Counterclaim in relation to Mr. Vieira's conduct both during his tenure and after he was relieved of his duties, which the Company considers to be contrary to the terms of his employment agreement and his fiduciary obligations. The firm of Fogler, Rubinoff LLP, has been retained to take carriage of the matter.

Peter Verbeek, Stars' Director of Legal Affairs stated, "I have reviewed the allegations contained in the Statement of Claim and, am of the opinion that Mr. Vieira will not be successful in his efforts. Fogler, Rubinoff LLP has been instructed not only to defend the action but to counterclaim against Mr. Vieira for damages incurred by Star as a result of actions taken by Mr. Vieira as both an officer and as a director of the Company. It was a condition of Star's initial listing that the License be exclusive for all applications. It contains no minimum performance requirements on Star's behalf. This matter will have no effect on Stars' day to day operations as we do not consider it to be credible."