



**FOR IMMEDIATE RELEASE**

**STAR ANNOUNCES SALE OF STAR-ISMS® TO MIDWEST AIRLINES  
(EGYPT)**

**TORONTO, May 25, 2011 - Star Navigation Systems Group Ltd. (TSX-V: SNA) ("Star" or the "Company")**, a leading edge technology company focused on providing Aerospace Solutions to assist aviation operators worldwide, is very pleased to announce that, following discussions initiated at the Avex 2010 Air Show in November, 2010, Midwest Airlines (Egypt) ("Midwest") has now placed an order with Star. This sale will see the installation of Star's flagship product, the In-Flight Safety Monitoring System ("STAR-ISMS®"), on one of its Boeing 737-800 aircraft. Midwest also has the option of purchasing two (2) further STAR-ISMS® systems at the same price within one (1) year.

The purchase order and initial deposit from Midwest have been received and contemplates installation commencing immediately upon receipt by Star of the required Supplementary Type Certificate ("STC"), approximately a 60 day process from receipt of specific aircraft documentation. Payment of the balance of the contract price will occur upon activation of the system. The value of the contract for all 3 aircraft, based on list prices, together with estimated airtime, telephone and alerts charges over the next 5 years, is approximately \$1,300,000 USD depending upon usage. If Midwest's option is not exercised the contract value is approximately \$430,000 USD, although Star expects the option to be exercised.

Midwest's fleet currently consists of 3 Boeing 737-800's.

Star's team is currently in Egypt gathering aircraft details for STC purposes and expects to apply for the STC shortly.

Viraf Kapadia, Star CEO said,

"This order from Midwest for installation aboard one of the most popular commercial aircraft will allow us to showcase our latest hardware and software programs. Our participation in safety studies such as the SAT-OPTIMI (see release November 2, 2010) has given us valuable experience and allowed us to further improve our product. Our ability to offer operational efficiencies with initiatives supporting FOQA, MOQA, ETOPS, together with fuel saving and fleet management opportunities were instrumental in this sale."

Nathan K. Smith, Technical Consultant to Midwest Airlines said,

"Live onboard aircraft diagnostics', and continuous systems monitoring with immediate alert notifications reduces time consuming troubleshooting and provides for system

awareness. Thus operators receive increased maintenance efficiency whilst reducing aircraft maintenance delays.

Without question, companies are moving to in-flight safety monitoring systems and other advanced technology systems for their aircraft fleets. The leveraging of in-flight safety monitoring systems provides for the immediate improvements of a company's operational readiness and performances. The use of these systems is a cogent and a highly cost effective method of providing in-flight data monitoring and diagnostics in real time between the aircraft and ground. "

Mr. Smith is a 30 year veteran of the aircraft maintenance and engineering business.

Engineer Farag Sadik, Midwest's Technical Director commented that,

"There are several advantages to this system that include tracking the aircraft to observe its performance, thus allowing the operator to avoid recurring problems by taking corrective actions ensuring safety and a reduced cost. Engine Condition Monitoring and the Fuel Management System should provide significant saving in maintenance cost and fuel savings for the airline. Airlines should offer the best technology available to the market and we believe this is the best technology of this decade."

Actual revenue generated by this contract will be included in our regular financial statements in accordance with our stated revenue recognition policies. Estimates of installation times and revenue recognition are correct to the best of our knowledge at this time. However, Star reminds shareholders and the investing public in general that actual results may vary as a result of factors beyond our control.

**About Midwest Airlines (Egypt):** Midwest Airlines (Egypt) was established as a charter airline in Egypt in August 2009, operating mainly between Egypt and Europe. It is not affiliated with the former U.S. based Midwest Airlines.

**About Star Navigation :** Star Navigation Systems Group Ltd. ([www.star-navigation.com](http://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.*

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