

**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

July 4, 2014

ITEM 3. NEWS RELEASE

Press release in the form attached as Schedule "A" was disseminated on July 7, 2014 via Marketwire.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced sale to Skyservice Business Aviation .

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

For a full description of the material change, please refer to the press release attached hereto.

ITEM 6. Reliance on subsection 7.1(2) or (3) 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 7th day of July, 2014.

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

Schedule "A"

TORONTO, Ontario, July 7, 2014) - Star Navigation Systems Group Ltd. (TSX VENTURE:SNA) ("Star" or the "Company"), is pleased to announce that it has signed a five (5) year contract with Skyservice Business Aviation Inc. ("Skyservice") of Montreal, for the purchase of the STAR-A.D.S.[™] solution for installation on Learjet 45's operated by Skyservice Air Ambulance.

The potential total value of the contract is estimated to be \$550,000.00 over 5 years, based on list prices and anticipated flight hours.

Skyservice Business Aviation's decision to purchase is based on the following identified benefits:

- the solution will decrease aircraft downtime by allowing Skyservice to capture maintenance issues and to identify failure trends before the issue causes an AOG event.
- the STAR-A.D.S.[™] solution will provide real-time tracking and monitoring functions, which will allow Skyservice to monitor their aircraft and their flight status, at any time, worldwide.

Sam Cimone, the President of Skyservice Business Aviation Inc. said

"Our company is continuously looking at improving its operations and efficiency and more importantly, the safety of our passengers and clients. The STAR-A.D.S.[™] solution, with the precise data it continuously and globally provides, coupled with its analysis abilities, will enhance our performance, and assist us in monitoring the aircraft in real time. This will ensure better utilization of the aircraft and safety for the passenger".

Neil A. Prasad, Star's VP Global Sales, said

"Skyservice Business Aviation is a world leader in aviation, with their highest priorities being placed on service and safety. Skyservice has been recognized by Aviation Research Group/US (ARG/US) with the award of the highly sought after "Platinum" rating. We are honoured by Skyservice's decision to work with us and we are excited by this opportunity this gives us to demonstrate the value and benefits that the STAR-A.D.S.[™] service will bring to Skyservice Business Aviation Inc."