

MATERIAL CHANGE REPORT
(Form 51-102F3)

1. **Name and Address of Company**

Star Navigation Systems Group Ltd. ("**Star**")
2970 Lakeshore Blvd. West, Suite 300
Toronto, Ontario
M8V 1J74

2. **Date of Material Change**

June 22, 2011

3. **News Release**

A news release was disseminated on June 22, 2011 through Marketwire.

4. **Summary of Material Change**

On June 22, 2011, Star announced that it had signed a formal agreement with an affiliated company of Astrium Services, Paradigm Services Limited ("Astrium") to provide a one-stop-shop to market and sell a satellite communications data service to aviation companies. Astrium, a unit of the European Aeronautic Defence and Space Company (EADS), will take the lead in marketing the Airborne Data Service to aircraft manufacturers and airline operators worldwide, utilizing its expertise in secure Satcom, data handling, service delivery and satellite operations. Star, as the developer of the STAR-ISMS® In-Flight Safety Monitoring System, will provide all airborne equipment, technical expertise and support services.

5. **Full Description of Material Change**

The news release annexed hereto as Schedule "A" provides a full description of the material change.

6. **Reliance on Subsection 7.1(2) of National Instrument 51-102**

This report is not being filed on a confidential basis.

7. **Omitted Information**

No information has been omitted from this report on the basis that it is confidential information.

8. **Executive Officer**

If further information is required, please contact Viraf S. Kapadia, Chief Executive Officer, at (416) 252-2889.

9. **Date of Report**

DATED at Toronto, Ontario this 30th day of June, 2011.

SCHEDULE "A"

STAR NAVIGATION AND ASTRIMUM SERVICES ANNOUNCE JOINT AGREEMENT TO PROVIDE AIRBORNE DATA SERVICES

TORONTO, ONTARIO - (June 22, 2011) - Star Navigation Systems Group Ltd. (TSX VENTURE:SNA) ("Star" or the "Company") is very pleased to announce that it has signed a formal agreement with an affiliated company of Astrium Services, Paradigm Services Limited ("Astrium") to provide a one-stop-shop to market and sell a satellite communications data service to aviation companies.

Astrium, a unit of the European Aeronautic Defence and Space Company (EADS), will take the lead in marketing the Airborne Data Service to aircraft manufacturers and airline operators worldwide, utilizing its expertise in secure Satcom, data handling, service delivery and satellite operations. Star, as the developer of the STAR-ISMS® In-Flight Safety Monitoring System, will provide all airborne equipment, technical expertise and support services.

The Airborne Data Service to be offered by Astrium (through its affiliated company Paradigm Services Limited) and Star under the Agreement enables the real-time transmission of flight data to aircraft operators by utilising on-board processors capable of analysing actual flight performance against expected parameters. Using satellite networks, the service will have a significantly higher information-throughput compared to legacy Aircraft Communications Addressing and Reporting Systems (ACARS). The service uses in-flight equipment that also compresses, encrypts and then securely transmits the data via satellite to Astrium ground stations, which then relays this information to airline operators, enabling in-flight visibility of performance from ground-based facilities. The service, which was first demonstrated at the Berlin Airshow in June 2010, uses in-flight equipment based upon Star's patented technology.

The service is configured to alert operators if pre-defined performance templates are exceeded in flight and will also improve efficiencies in aircraft maintenance, repair and operations (MRO) by identifying aircraft components that are not performing at optimum levels and either require servicing or replacement. This service will also augment the current aircraft 'black box', transmitting specific data in the event of an emergency and constantly track the location of the aircraft.

The service is now available for pre-operational orders, and following successful customer pilots is envisaged to become fully operational by the end of 2011.

Viraf S. Kapadia, Star's Chief Executive Officer noted, "We are pleased that our team has successfully negotiated this agreement. Star has always believed that our product is excellent, and simply needed the right strategic associate to work within the industry. Together with Astrium, we have achieved an excellent agreement, both from a business standpoint, and from the point of view of our shareholders. My sincere congratulations to all involved, and especially to TEAM STAR, for their years of hard work, dedication and loyalty."

The Agreement will be for an initial term of five years, with the potential to renew for an additional five years. In the event a material breach of the Agreement by Star, an unauthorized change of control of Star or the transfer by Star of its rights under the Agreement to a competitor of Astrium, Astrium may terminate the Agreement and will be entitled to continue on the business and be granted a license by Viraf S. Kapadia to continue the service. In the event of the insolvency of Star, Astrium may terminate the Agreement or may exercise its option to cause the Agreement, and its benefits and obligations, to be assigned by Star to Viraf S. Kapadia, Star's CEO. Under the Agreement, Star and Astrium will share, at agreed upon percentages, in the STAR-ISMS® unit sales price and service and usage fees paid by customers.

The Agreement remains subject to agreed upon amendments where a provision is contrary to, and amendment is necessary to comply with, the TSX Venture Exchange rules or any other applicable Canadian securities regulatory authority legislation or rules. If amendments cannot be agreed upon, either party may terminate the Agreement without liability on providing at least 15 days notice.

The independent directors of Star were responsible for negotiating and approving the terms of the Agreement and in particular, any terms that involved, directly or indirectly, Viraf S. Kapadia.

Dale F. Sparks, Star Chief Technology Officer stated: "We are extremely pleased to be working with Astrium Services to deliver this new Airborne Data Service. Our real-time monitoring and analysis expertise coupled with Astrium's great strength in marketing, secure satcom operations and service delivery, provide a great foundation for delivering an exceptional global service. In addition, our collective commitment towards continuous Research and Development will help to ensure that the Airborne Data Service evolves and stays in front of the dynamic challenges and needs of the aerospace industry overall. I would like to congratulate the members of both the Star team and that of Astrium Services for their enormous effort."

About Star Navigation: (www.star-navigation.com)

Star Navigation Systems Group Ltd. owns the exclusive worldwide license to its proprietary, patented In-flight Safety Monitoring System, STAR-ISMS®, 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 enhances aviation safety and helps improve fleet management while reducing costs for the operator.

About Astrium (www.astrium.eads.net)

Astrium is the number one company in Europe for space technologies and a wholly owned subsidiary of EADS, dedicated to providing civil and defence space systems and services.

In 2010, Astrium had a turnover of € billion and more than 15,000 employees worldwide, mainly in France, Germany, the United Kingdom, Spain and the Netherlands. Its three main areas of activity are Astrium Space Transportation for launchers and orbital infrastructure, Astrium Satellites for spacecraft and ground segment, and Astrium Services for comprehensive end-to-end solutions covering secure and commercial satcoms and networks, high security satellite communications equipment, bespoke geo-information and navigation services worldwide.

EADS is a global leader in aerospace, defence and related services. In 2010, the Group – comprising Airbus, Astrium, Cassidian and Eurocopter – generated revenues of € 45.8 billion and employed a workforce of nearly 122,000.

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.

FOR FURTHER INFORMATION PLEASE CONTACT:

Viraf Kapadia
Star Navigation Systems Group Ltd.
CEO
(416) 252-2889
viraf.kapadia@star-navigation.com
www.star-navigation.com

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