

**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

August 11, 2014

ITEM 3. NEWS RELEASE

Press release in the form attached as Schedule "A" was disseminated on August 12, 2014 via Marketwire.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced receipt of additional orders.

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 12th day of August, 2014.

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

Schedule "A"

Star Navigation's MMI Division Sees Increases in Orders from Major Aerospace Companies

TORONTO, ONTARIO--(Marketwired - Aug. 12, 2014) - Star Navigation Systems Group Ltd. (TSX VENTURE:SNA)(OTCBB:SNAVF) ("Star" or the "Company"), is pleased to announce that its' STAR Man Machine Interface Division ("STAR-MMI") has received additional orders for upgrades of displays from both from a major Fortune 100 Aerospace Company, and from another overseas customer.

The total business value of these increasing activities more than doubles the \$200,000 value of the orders for defense activities announced in June 2014, to over USD 430,000 in the first four months.

In addition, the short term prospects for the sale of new displays and other STAR-MMI products are improving rapidly.

The STAR-MMI Division was set up in April, 2014, following the Company's purchase of the assets of Luxell Quebec Technologies Inc. (See press Release April 1, 2014). The four month period following the purchase has seen the integration of the new MMI activities with those of Star. It has allowed Star to more effectively control its supply chain, enhance its program and engineering capabilities, and add to its overall portfolio of products, all of which add to its revenue stream.

Mr. Jean-Louis Larmor, Vice President, Corporate Development of Star stated:

"We are particularly gratified by the swift integration of the Luxell assets and activities, and by the increased capabilities of our Company. The added resources have already helped us to accelerate our main business activities directed towards commercial airlines and operators, thus adding to our ability to offer leading edge solutions to our customers. In addition, STAR-MMI is bringing us valuable exposure to several system integrators, increased familiarization with the military segments, while contributing to an increase in our revenue generation."