



FOR IMMEDIATE RELEASE

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Chengdu Spaceon Technology Co. Ltd. of China and Star Navigation sign Cooperation Agreement.

Toronto, August 26, 2015 - Star Navigation Systems Group Ltd. (TSX VENTURE: SNA) ("Star" or the "Company"), and Chengdu Spaceon Technology Co. Ltd., ("Spaceon") are pleased to confirm the execution of a formal Cooperation Agreement ("CA").

In 2014, Star and Spaceon entered into a preliminary framework agreement (see Press Release August 24, 2014) working on a joint tracking product which would leverage their respective expertise, strengths and experience.

The joint product, *STAR T.T.T.* (Track, Talk, and Text) is designed to offer small airplanes, helicopters, and ground and maritime transport a cost efficient, reliable solution for tracking and communications purposes. It is now in the certification phase.

Star and Spaceon have finalized the Cooperation and marketing Agreement required by the terms of the framework agreement. It includes provisions for the already developed and marketed STAR- A.D.S. [™] System.

Under this CA, Spaceon will manufacture the *STAR T.T.T.*, and market, sell and support both the *STAR T.T.T.* and the STAR- A.D.S. [™] System in China. Spaceon will implement a Chinese Data management Center for its activities. STAR will bring the *STAR T.T.T.* equipment and solution, along the STAR- A.D.S. [™] System, to the rest of the world.

Mr. Viraf S. Kapadia, CEO of Star said:

“Our mutual understanding with Chengdu Spaceon grew up very positively. The full scale Cooperation Agreement was the immediate next strategic step. Both parties to this partnership will offer complete solutions, complying today with the expected recommendations for the future on tracking and on monitoring. The growth path of the equipment includes different communications networks from Iridium to Inmarsat and BeiDou. This agreement is further ensuring the presence of Star in a key developing part of the aerospace world. It completes initiatives we recently completed in Asia.”

Mr. Yang Shaoping, General Manager of Spaceon declared:

“Chengdu Spaceon Technology Co, Ltd, is expanding its capabilities and offerings directly to OEM’s and Operators in China, but is also able to reach out to other geographical markets, jointly with our partner Star Navigation. We are bringing to the aerospace community solutions for real time tracking and monitoring to increase the safety and to reduce the overall costs of operations, on existing aircraft and helicopters.”

Both companies are now concentrating their efforts on the marketing and detailed implementation of the joint solutions.

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 heart of the STAR-A.D.S.™ System. It is 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.

Star's MMI Division designs and manufactures high performance, mission critical, flight deck flat panel displays for defence and commercial aviation industries worldwide.

About Spaceon: (www.spaceon.cn)

Established in December 2001, Chengdu Spaceon Technology Co., Ltd. ("Spaceon") is a subsidiary of China Electronic Technology Group Corporation No. 10. Research Institute. The company integrates research & development, production and service with the support of navigation, communication, identification and other professional technologies. Spaceon focuses on exploring applications of satellite navigation, and providing advanced solutions for equipment and systems in relevant industries.

Currently, the Company has more than 300 employees, 81% of whom have doctoral, masters or bachelor's degrees and provides a supportive environment of scientific research, production and office informatization, with an area of over 24,000m² used for scientific research and production.

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. Star does not assume any obligation to update these forward-looking statements, except as required by law.

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