

**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

January 12, 2018

ITEM 3. NEWS RELEASE

Press release in the form attached as Schedule "A" was disseminated on January 11, 2018 via Globe Newswire.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced a private placement.

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 January, 2018.

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

Schedule "A"

TORONTO, Ontario, January 11, 2018, 2017, –Star Navigation Systems Group Ltd. (CSE: SNA) (OTCQB: SNAVF) ("Star" or the "Company") is pleased to announce that it will close a non-brokered private placement on January 12, having issued 4,000,000 units of the Company (the "Units") at a price per Unit of \$0.10 for gross proceeds of \$400,000. Each Unit consists of one common share in the capital of the Company and one warrant. One warrant entitles the holder to purchase one (1) additional common share of the Corporation at fifteen (\$0.15) cents per warrant exercised. The warrants are exercisable during the one (1) year period from the date of issue.

All securities issued in the Offering and any shares issued upon exercise of warrants are subject to a four month statutory hold period from the date of issuance. The net proceeds of the placement will be used for research and development, marketing and corporate overhead. Star has agreed to pay finder's fees in the amount of ten (10%) percent of gross proceeds in Units. The price was reserved with the CSE.