

Star Navigation Announces Partial Revocation Order, Private Placement, and Debt Conversion

Brampton, Ontario--(Newsfile Corp. - March 10, 2020) - Star Navigation Systems Group Ltd. (CSE: SNA) (CSE: SNA.CN) ("**Star**" or the "**Company**") announces that on March 6, 2020, the Ontario Securities Commission ("**OSC**") partially revoked the cease trade order issued against the Company on November 1, 2019 (the "**CTO**") for failing to file certain outstanding continuous disclosure documents in a timely manner.

The Company applied for the partial revocation order ("**Partial Revocation Order**") to:

- a. Complete an exempt non-brokered private placement ("**Private Placement**") of up to 80,000,000 units (the "**Private Placement Units**") at a purchase price of \$0.025 per Unit for gross proceeds of up to \$2,000,000. Each Private Placement Unit will consist of 1 common share and 1 warrant to purchase 1 common share, exercisable at a price of \$0.035 for 12 months from the date of issuance; and
 - b. Convert \$1,353,243 of debt (the "**Debt Conversion**") held by certain shareholders into 67,662,150 units (the "**Debt Conversion Units**"). Each Debt Conversion Unit will be issued at a deemed price of \$0.02 per Debt Conversion Unit and consist of 1 common share and 1 warrant to purchase 1 common share, exercisable at a price of \$0.02 for 12 months from the date of issuance.
- (The Private Placement and the Debt Conversion are collectively referred to herein as the "**Financing**.")

The proceeds of the Private Placement will be used to pay outstanding fees owed to the Company's auditors as well as for other general working capital purposes. Completion of the Private Placement will allow the Company to prepare and file all outstanding continuous disclosure documents with the applicable regulatory authorities. Once those filings have been completed, the Company will apply for a full revocation of the CTO.

Prior to completion of the Financing, each potential investor will receive a copy of the CTO and the Partial Revocation Order, and will be required to provide an acknowledgement to the Company that all of the Company's securities, including the shares and warrants issued in connection with the Financing, will remain subject to the CTO until such order is fully revoked, and that the granting of the Partial Revocation Order by the OSC does not guarantee the issuance of a full revocation order in the future. In addition, in accordance with applicable securities legislation, all common shares and warrants issued pursuant to the Financing will be subject to a hold period of four months and a day from the closing date of the Financing.

The Partial Revocation Order will terminate on the earlier of: (i) the completion of the Financing, and (ii) May 5, 2020, being 60 days from the date on which the Partial Revocation Order was issued.

About Star Navigation:

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.® and of the STAR-ISAMM™ / STAR-LSAMM™ Systems. 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 M.M.I. Division designs and manufactures high performance, mission critical, flight deck flat panel displays for defence and commercial aviation industries worldwide. These displays are found on aircraft and simulators, from C-130 aircraft, to Sikorsky and Agusta Westland helicopters, as examples.

Star's subsidiary, Star-Isonoe Inc., is a specialised software firm, developing complex solutions in engineering, simulation and development for Canadian customers. Star-Isonoe works closely with Star in the development of the Company's MEDEVAC (STAR-ISAMM™ and STAR-LSAMM™) applications of the patented STAR-A.D.S.® technology, and on its current R&D program with Bombardier.

Certain statements contained in this Release constitute forward-looking statements. When used in this document, the words "may", "would", "could", "will", "expected", "intend" and similar expressions, as they relate to Star or its management or board 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 other 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.

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of the content of this release.

Please visit www.star-navigation.com or contact Mr. Peter Clausi, Interim CEO at 1 416 890 1232 or peter.clausi@star-navigation.com



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