

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: STAR NAVIGATION SYSTEMS GROUP LTD. (the "Issuer")

Trading Symbol: SNA

Number of Outstanding Listed Securities: 519,476,538

Date: February 29, 2020

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

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[™] and the 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.

Stars' M.M.I. Division designs and manufactures high performance, mission critical, flight deck flat panel displays for defense 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.

Stars' subsidiary, Star-Isonoe Inc. is a specialized 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.

2. Provide a general overview and discussion of the activities of management.
On December 11, 2019, a Special Meeting of Shareholders of the Company was held (the "December 11 Shareholders Meeting"). At that meeting, over fifty (50%) percent of shareholders voted over ninety-eight (98%) percent in favour of removing the existing directors of the Company and elected a new Board of independent directors.

The Ontario Superior Court of Justice subsequently dismissed a request by Mr. Kapadia, the former CEO, for an injunction appoint him as CEO and a board member. His application to suspend the results of the shareholder vote remains outstanding.

Immediately prior to the December 11 Shareholders meeting, the then CEO, Mr. Kapadia, ordered the filing of a Notice of Intent to File a Proposal under the Bankruptcy and Insolvency Act (Canada). Mr. Kapadia alleged he was an unsecured creditor of the Corporation, mainly in respect of a claim for more than \$2,100,000 for accrued and unpaid salary. However, at a meeting of creditors, the Proposal Trustee did not permit Mr. Kapadia to vote his claimed debt on the basis that Mr. Kapadia was a non-arm's length party pursuant to Canada's Bankruptcy and Insolvency Act. Creditors subsequently accepted the Corporation's formal Proposal to settle outstanding debts. As a result of that meeting, the Proposal Trustee will seek Court approval of the Proposal, which, if approved, will remove approximately \$3.3 million in debt from the Corporation's balance sheet. A motion seeking approval of the Proposal Trustees' decision is scheduled for April 10, 2020 in the Ontario Superior Court, Commercial Division.

The new Board and management have been engaged in ascertaining the true status of the Company, its products, customers, employees and creditors and in planning for its future through competent and innovative management, proper and business-like procedures, wise use of its resources...both human and technical... and adding to shareholder value.

A complete review and reorganization of the Sales Department has been initiated, with several new and experienced Sales Agents having been identified and distribution channels rationalized. Management looks forward to a more disciplined and effective sales process as a result of these changes.

Management is also committed to taking all necessary steps required in order to request the lifting of the Cease Trade Order ("CTO") imposed by the Ontario Securities Commission due to the previous management's failure to file financial statements.

The Company has applied to the Ontario Securities Commission ("OSC") for a partial revocation order with respect to the CTO in order to allow for certain interim financing initiatives.

The proceeds of these financing initiatives will be used to pay outstanding fees owed to the Company's auditors as well as for other general working capital purposes. This 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.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

None

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

None.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

None

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

None

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

None.

8. Describe the acquisition of new customers or loss of customers.
None.
9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.
The Company is engaging expert advice with respect to the ownership of certain patents claimed to be owned by the former CEO.
10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.
None.
11. Report on any labour disputes and resolutions of those disputes if applicable.
None.
12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.
See 2 above
13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.
None.
14. Provide details of any securities issued and options or warrants granted.
None.
15. Provide details of any loans to or by Related Persons.
None.
16. Provide details of any changes in directors, officers or committee members.
None.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

No changes. The Company does not believe at this time COVID-19 will have any material impact on its business, but is monitoring the situation closely.

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: March 6, 2020,

Peter Clausi
Name of Director or Senior Officer

"Peter Clausi"
Signature

Interim Chief Executive Officer
Official Capacity

Issuer Details		For Month End	Date of Report
Name of Issuer Star Navigation Systems Group Ltd.		February 29, 2020	YY/MM/DD 20/03/06
Issuer Address 11 Kenview Blvd.			
City/Province/Postal Code Brampton, Ontario L6T 5G5		Issuer Fax No. (416) 252-3963	Issuer Telephone No. (416) 252-2889
Contact Name Peter Clausi		Contact Position CEO (Interim)	Contact Telephone No. (416) 252-2889 ext 230
Contact Email Address peter.clausi@star-navigation.com		Web Site Address www.star-navigation.com	

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