



Star Navigation Provides a Refocused Business Strategy

Update

TORONTO, Ontario, July 24, 2019, Star Navigation Systems Group Ltd. (CSE: SNA) (CSE: SNA.CN) (OTCQB: SNAVF) ("Star" or the "Company") is pleased to provide an update on its current 2019 re-focused business strategy.

The STAR-A.D.S. ® system installed on a major VVIP private operator in the Mid-East has been operating for more than one year now, to the satisfaction of the customer. Discussions are being finalized to expand the installation of the STAR solution of real-time monitoring to the rest of the customers' fleet.

The contract for 5 aircraft installations with a scheduled flights airline in Egypt has been implemented. The first installation is scheduled for Fall 2019 as scheduling permits, with the balance of fleet installations to match the C-check schedule of the remaining aircraft in the fleet.

Production of 27 STAR-A.D.S.® System units has commenced in order to meet ongoing requirements.

An adaptation of the STAR-A.D.S. ®, System has been installed on a Bombardier Global 7500 test aircraft for almost 2 years, as part of a government Research and Development study on the effects of high altitude flights on the health of crew, passengers and equipment. Our System has proved its flexibility and adaptability, being connected in record time to existing avionics systems of the aircraft, and by being installed and interfaced with very specific sensors. While the R&D program is successfully extended for all of 2019, a derived commercial version of that application is also under discussion.

STAR-A.D.S. ® System adaptations on a fleet of small sized transport and liaison aircraft (10 passengers) and helicopters as retrofit systems were recently presented to a large Asian Defense organization. Star Navigation is actively pursuing this prospect with a proposal requested for Fall 2019, concurrent with the customers' budgetary cycle.

The STAR M.M.I.™ Division (displays), continues to service, repair and offer case-by case new unit build for legacy LCD panels for Lockheed Martin (P3 aircraft), Northrop Grumman, and Blue Aerospace. Star qualified for these activities as a stable, long –term and direct offsets (Industrial Regional Benefit "IRB") provider to these main US based integrators.

The STAR-ISAMM™ and STAR-LSAMM™ systems have generated a rapid and growing interest in the North American market. A Distribution and Sales agreement with AMS Heli

Design has been signed, with the first contract covering 6 installations on EMS helicopters awaiting final approval by the end customer. If approved, installations are expected to start at the end of 2019.

A Cooperation Agreement has been signed with AIRMEDIC relating to the integration of the STAR-ISAMM™ system into their fleet of fixed-wing and rotary-wing aircraft, with the possible extension of the integration of the STAR-LSAMM™ equipment into affiliated ground ambulance service providers.

STAR-ISAMM™ presentations have been made targeting Canadian Defense retrofit programs. Star has received a high level of interest from the military industry and market segments.

Two applications have been submitted to the Federal and Provincial governments for Research and Development funding covering mid-2019 to end of 2021.

As a result of the recent much needed reorganization efforts, the Company has achieved cost savings of over \$500,000 per annum.

Viraf Kapadia, Chairman & CEO of Star said:

“A significant part of the recent corporate reorganization involves the Sales Department at Star, which has not performed to expectations. The Company is actively working on building a new Sales team with proven aviation experience, drive and commitment. There have also been many developments on the technical and product front. The Company has recently successfully completed its regular AS 9100 Rev “D” quality audit. Additionally, stages 1 and 2 of ISO 13485 & MDSAP (Medical Device for Single Audit Program) for medical devices are also now completed and awaiting certification. We are in the process of obtaining Health Canada and FDA licenses required for STAR-ISAMM™ and STAR-LSAMM™, and are working on various new G3 STAR-A.D.S.® STCs, as well as on improvements to our GUI. We have three products awaiting certification, and we have just passed CGR inspection review at our new premises. I am proud to say that our Company is able to demonstrate a quality profile that offers a potential customer a blend of the Aerospace standard AS 9100 Rev “D”, ISO 9001:2015 and the medical standard ISO 13485. This is a unique combination that may open many sales opportunities.”

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.®, STAR-ISAMM™ and 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 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.

Stars' subsidiary, Star-Isonéo Inc. is a specialised software firm, developing complex solutions in engineering, simulation and development for Canadian customers. Star-Isonéo 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 News Release constitute forward-looking statements. When used in this document, the words "may", "would", "could", "will", "expected" 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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