STARGROUP DOUBLES IN SIZE AFTER ACQUIRING CASH PLUS ATM MACHINE NETWORK

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HIGHLIGHTS

- Stargroup completes acquisition of a 104 ATM Network from Cash Plus Australia taking total ATM network to 230 machines

- Acquisition doubles annualized transactions from approx. 1m to approx. 2m transactions.

- Annualized revenues to increase from $2.4m to $5m

- Consideration paid partly in shares at above market price of 4c per share

- Acquisition and issue of shares approved at today's AGM

- Experienced ATM entrepreneur, David Dickinson appointed to the Board of Stargroup

The Board of Stargroup (**ASX : STL**) are pleased to announce that the company has now doubled in size and is cash flow positive following today's completion of the acquisition of a 104 ATM network from Cash Plus Australia Pty Ltd (Cash Plus) through its wholly owned subsidiary, Stargroup Investments Limited,

Stargroup agreed to acquire the assets from Cash Plus for $6,314,491. The consideration has been satisfied by the payment of $3,157,246 in cash and by the issue of 78,931,125 new fully paid STL shares, issued at $0.04 per share which is above the current market price.

The issue of these shares was approved by shareholders at this morning's Annual general Meeting and the cash component of the acquisition was part funded by the recent non-renounceable rights issue and by existing cash reserves.

The Cash Plus ATM Network consists of 104 ATMs deployed in Western Australia, Queensland, New South Wales, South Australia, Tasmania, Victoria and the Northern Territory and is processing 1,035,000 annualized transactions.

The combined ATM network of Stargroup and Cash Plus is now greater greater than 230 ATMs expected to process greater than 2,000,000 annualised transactions.

Mr Todd Zani, Stargroup's CEO and Executive Chairman said that *"Stargroup is excited to make this EPS accretive acquisition in its ATM division and have Mr David Dickinson become a member of the Board.*

Mr Dickinson is an experienced ATM entrepreneur who has built significant ATM networks in both Australia and New Zealand and this is part of our commitment to becoming the largest ASX-listed ATM and payment services provider in Australia.

Stargroup and Cash Plus are aligned in our thinking in so much as we both take a highly disciplined approach to site selection.

We choose only quality sites that can offer good ROI's on capital and this high quality ATM network increases our national footprint and is one that will bring significant benefits to our shareholders.

Importantly, this acquisition will result in our ATM division becoming profitable and cash flow positive."

Mr David Dickinson, CEO of Cash Plus, commented "I welcome the opportunity to become a member of the Stargroup Board and to work with Todd Zani and his team.   I know this is an excellent acquisition for Stargroup and Todd and his team are as committed as we are to providing the highest quality service and technologies for our merchants and card holders".

For further information, please contact:

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About Stargroup

Stargroup Limited is the only ASX listed company deploying ATM machines in Australia and importantly, the only listed ATM company having a direct ownership interest in the manufacturer of its ATM technologies.

Stargroup Limited merged with iCash Payment Systems Limited (ASX:ICP) on 7 August 2015 and as part of the acquisition became the exclusive distributor of the cashPod ATM range including the recycler ATM, back office and payment technologies in Australia for the next 5 years.

Stargroup Limited, via its wholly owned subsidiary, StarPOS, is also an EFTPOS and payWave technologies provider via its leveraged wholesale Visa and Mastercard agreement and the launch of StarPOS occurred on 1 October 2015.

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