

ISSUE OF 2016 PERFORMANCE SHARES

Stargroup Limited (ASX : STL) ("Stargroup" or the "Company") wishes to advise that the Company has issued 2,500,000 fully-paid ordinary shares in the capital of the Company (the "2016 Performance Shares") to the following shareholders:

Shareholder	Beneficial Owner	Number of Shares
Tomialcocl Pty Ltd <Tomialcocl Family A/C>	Todd Zani	1,000,000
Mr Shaun Matthew Sutton	-	625,000
Meiktila Pty Ltd <ZA Family A/C>	Zaffer Soemya	375,000
NeolCP Korea Inc	-	500,000
Total		2,500,000

These shares represent the vesting of the 2016 Performance Shares which are the first of four Performance Share tranches which were approved by the members of the Company at the extraordinary general meeting held on 29 July 2015.

The Performance Share tranches, each of 2,500,000 shares, were for the 2016, 2017, 2018 and 2019 years and have milestones to be met by 31 December 2016 in the first year and then by 30 June in the subsequent years.

The milestone for the first tranche is the installation of 250 ATMs and annualised earnings of \$2,500,000 by 31 December 2016. The Company is pleased to advise that at the date of this announcement that the Company has in fact greater than 350 active ATMs and annualised revenues of greater than \$6.7 million. These milestones were achieved in June, some six months prior to the deadline.

Further, the second tranche, namely the 30 June 2017 Performance Shares, have a milestone of 500 ATMs and annualised earnings of \$5,000,000 and, whilst the Company is heading towards achieving that milestone, the Company anticipates achieving both components of the 2017 milestone in December this year, a full six months ahead of schedule.

Attached is an updated Appendix 3B.

**The 2016
Performance
Shares have
vested 6 months
early**

**The 2017
Performance
Shares anticipated
to vest 6 months
early**

FURTHER INFORMATION

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About Stargroup

Financial technology company 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, namely NeolCP, a south Korean private company.

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.

About NeolCP

Stargroup Limited owns 11.28% of NeolCP Korea Inc, a South Korean private company that provides integrated and innovative self-service solutions to the banking and retail market.

NeolCP has brought together a combination of innovation, expertise and quality service to become a global leader in the ATM manufacturing industry and a technology leader in cash management and cash handling solutions.

As at 31 December 2015, NeolCP had \$18.3 million in net assets and there is a three year dividend policy in place between NeolCP and Stargroup Limited.