

ASX Release 10 August 2016

INVESTOR UPDATE

Record Month puts Stargroup on track for 11th record Quarter

HIGHLIGHTS

- 11.67% increase on ATM transactions compared to prior month
- 11.35% increase on average number of transactions per ATM compared to prior month
- Annualised transactions of ATM Network currently >2.7million transactions
- Annualised gross revenue of ATM network now \$6.7million

The Board of Stargroup Limited (ASX: STL) are pleased to announce that the month of July was another record month for the Automatic Teller Machine network and that the company is well on its way to delivering its 11th record quarter in a row.

Mr Todd Zani, Stargroup's CEO and Executive Chairman said "The transactions on our ATM network were 11.67% up on the previous month which is a direct result of the successful completion of the CashMyATM acquisition on 1 June and further ramp up of our ATM network as it begins to mature.

It is also a reflection of our concentrated and disciplined efforts to only place our hardware in high quality sites and to only perform high quality acquisitions.

Our average monthly transactions per ATM continue to be arguably the industry best with the average for the last month being 647 transactions a month per machine, an 11.35% increase on the previous month.

This figure represe<mark>nts a significant p</mark>remium to the average transactions per machine recently reported by industry leader DC Payments (TSX: DCI).

Our results in the last quarter were industry best and we are continuing to improve on that result, which is contrary to recent media reports regarding declines in ATM transactions. I would purport that there has been an overall decline in the number of ATM transactions but this is due largely in part to closure of the numerous branches of the major banks and people still need to



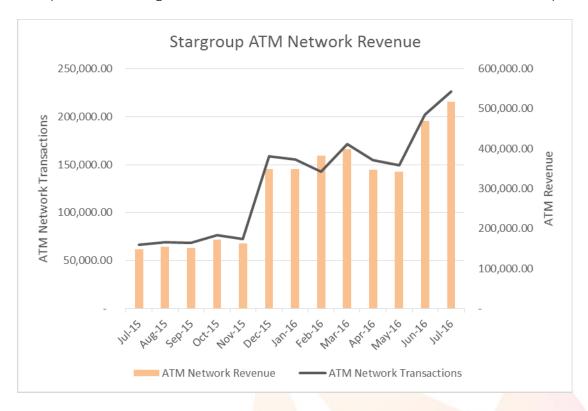






get their cash from somewhere which has seen the withdrawals at independent service operator ATMs, like ours, increase.

This quarter is looking to be another record and excellent result for the Group.



Further, these results show that the integration of the CashMyATM business has been excellent and considering we have just had record sales in the StarPOS business, there are some exciting times ahead for Stargroup Limited shareholders. It's exciting to know that our monthly turnover for July was what this Company turned over for the full year in FY15!", said Mr Zani.

FURTHER INFORMATION

For further information, please contact:

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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.

About NeoICP

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

NeoICP 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 30 June 2016, NeoICP had \$18.3 million in net assets and there is a three year dividend policy in place between NeoICP and Stargroup Limited.





