

ASX Release
26 June 2017

NOTICE OF BREACH OF ASX LISTING RULE 10.11

Stargroup Limited (**ASX: STL**) wishes to advise that in June 2016, as part of the rights issue undertaken to finance the acquisition of the Cash My ATM Network, Stargroup made a placement of 8,541,276 ordinary shares to CEO and Executive Chairman, Mr Todd Zani and interests associated with him. These ordinary shares included rights issue placement, top up facility placement and shortfall placement at 3.6 cents per share.

More recently, as part of the private placement to finance the acquisition of the Indue ATM Businesses, Stargroup made a placement of 4,000,000 ordinary shares to interests associated with Mr Todd Zani at 2.8 cents per share.

ASX has determined that it considers that the top up facility placement, shortfall placement and private placement (**Placements**) were in breach of ASX Listing Rule 10.11 on the basis that Mr Todd Zani was a related party and could therefore not participate in the top up facility and shortfall placement without shareholder approval under listing rule 10.11. The top up and shortfall placement shares totaled 4,498,732 and together the Placements represent 1.17% of the company's issued capital and at all times were issued on the same terms as other participants in the fundraisings.

The Company is taking corrective action to remedy the breach by procuring that the shares be disposed of by 31 July 2017 and that the net proceeds of the disposal be donated to an entity that is registered with the Australian Charities and Not-for-Profits Commission as a charity.

The Company wishes to advise that the 4,000,000 private placement shares have already been disposed and that a holding lock has been placed on the other affected stock pending disposal.

Mr Zani and interests associated with him have not profited from the Placements and he regrets the oversight.

FURTHER INFORMATION

For further information, please contact:

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