

ASX Release
9 November 2015

INVESTOR UPDATE

Record Month puts Stargroup on track for another record Quarter

HIGHLIGHTS

- 11.49% increase on ATM transactions compared to prior month
- 8.64% increase on average number of transactions per ATM compared to prior month
- Annualised transactions of ATM Network post the Cash+ acquisition will now be in excess of 2million transactions – previous estimate 1.8million
- Annualised gross revenue of combined ATM network now \$5million

The Board of Stargroup Limited (**ASX : STL**) are pleased to announce that the month of October was another record month for the Automatic Teller Machine network and that the company is well on its way to delivering its 8th record quarter in a row.

Mr Todd Zani, Stargroup's CEO and Executive Chairman said *"The transactions on our ATM network were 11.49% up on the previous month which is a direct result of the 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.

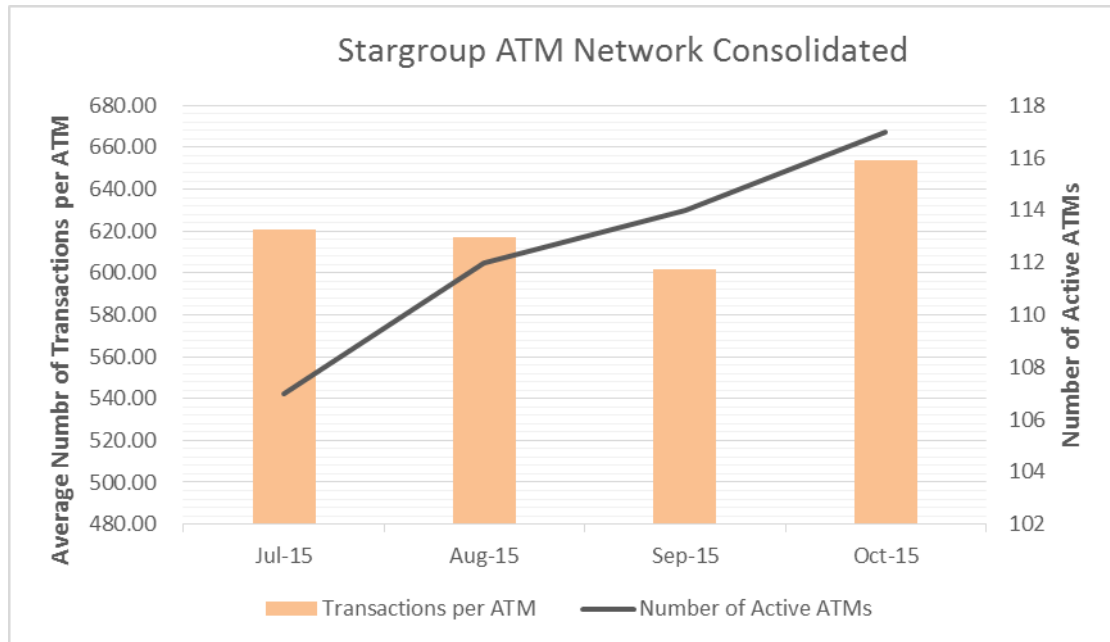
Our average monthly transactions per ATM continue to be arguably the industry best with the average for the last month being 654 transactions a month per machine, an 8.64% increase on the previous month.

This figure represents a significant premium to the average transactions per machine recently reported by industry leader DC Payments (TSX : DCI).

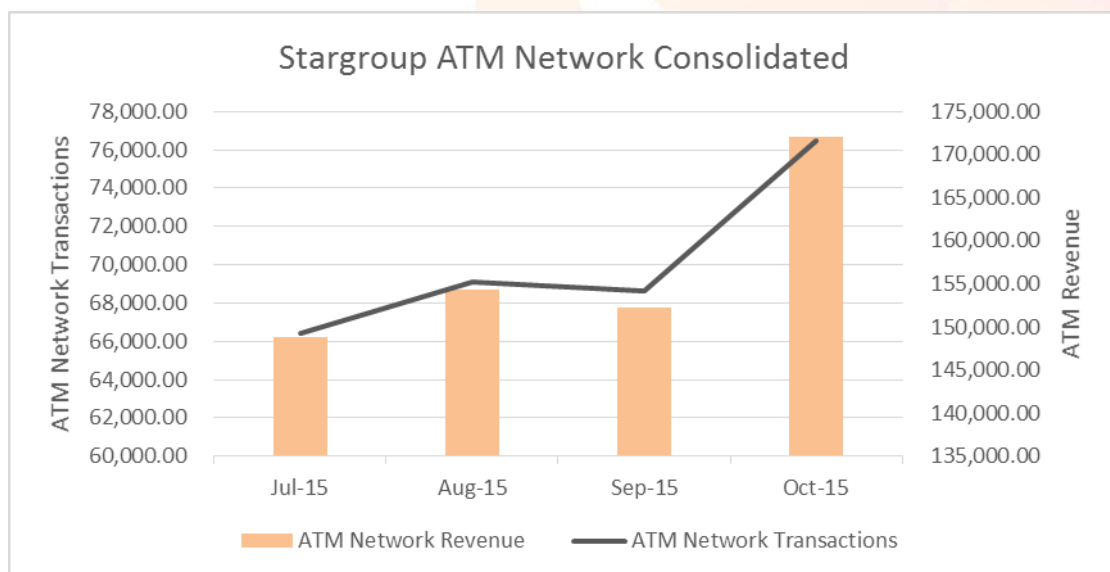
Our result in the last quarter was industry best and we are continuing to improve on that result, which is great.

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

Further, these results show that the integration of the iCash business has been excellent and considering we have just launched the StarPOS business, there are some exciting times ahead for Stargroup Limited shareholders."



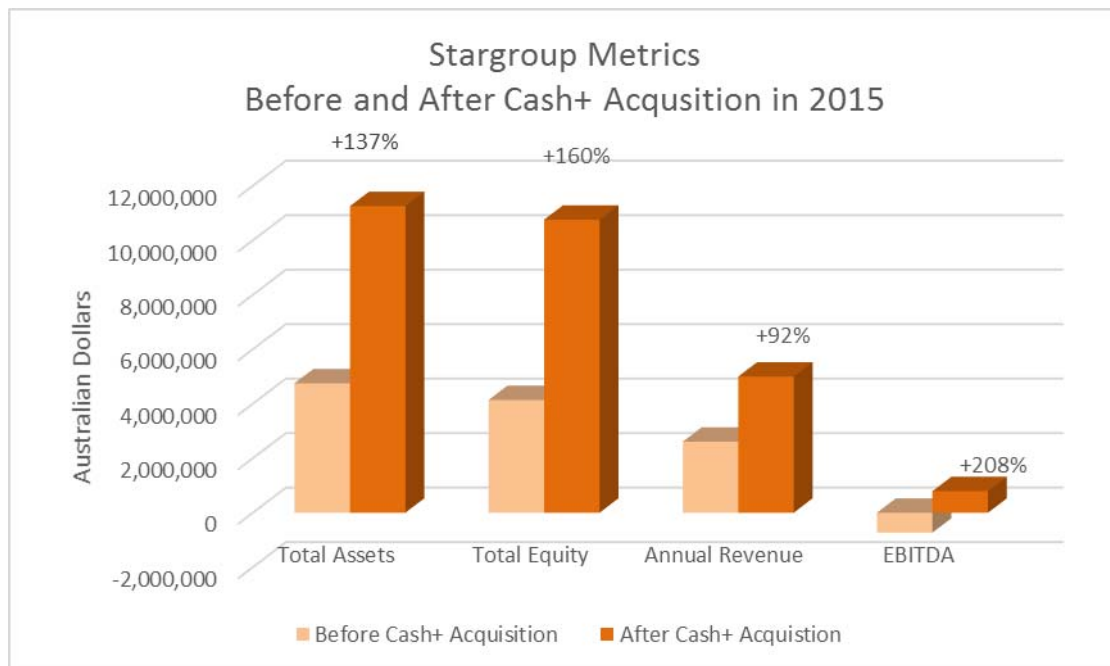
“When you also couple this with the recent announcement we made on 1 October 2015 about the acquisition of a 109 ATM network from Cash Plus Australia Pty Ltd (Cash+) which will be completed on 30 November 2015, and integrated into the business in December, Stargroup will be now processing in excess of 2million transactions a year with annualized gross revenues of over \$5million.”



The Cash+ network that we are acquiring is a quality network and the average number of transactions and revenues per machine will further

increase our results post the integration of that network in December and January."

The Stargroup metrics both before and after the Cash+ acquisition in 2015 are as follows:



What's Next for Stargroup?

The iCash merger has been successfully integrated and we look forward to the support of our shareholders at the upcoming AGM and the integration of the Cash+ network, post that meeting.

The demand for the underwriting of the acquisition was significantly oversubscribed and we commend the efforts of some of our major shareholders and our Joint Lead Managers, PAC Partners Pty Ltd and Patersons Securities Limited in fully underwriting any shortfall from the rights issue.

Mr Zani said *"I am proud of what we have achieved to date in 2015 and look forward to delivering on our plan to our shareholders."*

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"This includes:

- *Further organic growth in quality only ATM sites via disciplined site selection;*
- *Targeting smaller unlisted ATM deployers for value accretive mergers and acquisitions;*
- *Entering the EFTPOS space by leveraging our excellent wholesale rates;*
- *Rolling out new technology products such as our Recycler ATM that allows users to both withdraw and deposit money; and*
- *Further sales of NeoICP ATMs and software in Australia. "*

FURTHER INFORMATION

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.