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Starcom PLC
("Starcom" or the "Company")

Contract Win

Starcom (AIM: STAR), which specialises in the development of wireless solutions for the remote tracking, monitoring and protection of a variety of assets and people, is pleased to announce the first significant order under an exclusive distribution agreement for the sale of the WatchLock device in the Ukraine with Benish GPS Ukraine LLC ("Benish GPS").

The agreement with Benish GPS includes the Ukrainian distributor being required to purchase a minimum of 20,000 WatchLock units before 31 December 2014 in order to retain exclusivity. The first order is for in excess of 6,000 units and worth approximately \$1.13m. This number alone is almost equivalent to the total number of WatchLock products distributed during 2012, and takes the number of Watchlock units sold in the year to date by the Company to over 9,000.

Starcom's CEO Avi Hartmann said:

"I am pleased to announce this exclusive distribution agreement in the Ukraine with Benish GPS, as we begin to see a wider, global roll-out of our award winning WatchLock product. We believe this agreement indicates the potential market which exists for the Watchlock and is in line with our strategy of establishing trusted partnerships with distributors in order to increase our global reach and lines of delivery to the market at a low cost point. I am confident this is the start of a beneficial partnership for both companies. This sale order together with other orders for this year puts us well on track to achieve our target unit sales for the Watchlock in 2013 and I look forward to providing further updates on the Watchlock and our other products in due course."

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About Benish GPS

Benish GPS, part of the Benish Group, currently specialises in a number of areas, including the installation and service of car alarm systems using GPS tracking, corporate fleet management and valuable cargo tracking. The company has centres across the Ukraine and has received certification from the Ministry of Internal Affairs and the Ministry of Transport and Communication of the Ukraine. Benish's systems are recommended for installation by various government bodies, including the MVD (Ukrainian police) GAI (Traffic police) and the Ministry of Internal Affairs of the Ukraine.

About Watchlock

The WatchLock device was launched by Starcom in May 2012 at the International Fire and Safety Exhibition and Conference (IFSEC) trade show, where it won the award for Physical Security Innovation Product of the Year. The product secures fixed and mobile assets in the same way as a normal padlock, but has the added functionality of real time location services and tracking. It sends a report to its owner if there is any attempted tampering while simultaneously transmitting its location to an on line web portal, making it ideal for both applications in both mobile and static locations such as warehouses, pipelines, fencing, trucks, trailers and vending machines. It incorporates advanced key duplication control, can operate in extreme weather conditions and does not rely on an external power supply.

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