

Company Blue Star Capital plc
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Blue Star Capital plc

("Blue Star Capital" or "the Company")

Shareholder Loan Update

Blue Star Capital announces that today it has successfully completed an extension to the shareholder loan agreement ("the Loan") entered into on 28 April 2011. The original amount of the Loan was £400,000 which, with the accrued interest at 10%, had been due for repayment by 30 May 2012.

Today it has been agreed between the parties that the Loan be extended by a maximum of four months to 1 October 2012 inclusive.

£15,000 of the accrued interest to 30 May 2012 has been repaid today and the remaining £25,000 accrued interest will be added to the original principal sum, such that the new principal amount is £425,000. Interest at 10% will continue to accrue on this new principal sum.

A repayment premium will now fall due, comprising

- (i) 5% of principal if the Loan is repaid on or before 31 July 2012;

or

- (ii) 10% of principal if repaid on or after 1 August 2012 up to 1 Oct 2012 inclusive.

Under AIM Rule 13, as Tony Fabrizi and Noel Lyons were amongst those that provided the original Loan and are non-executive directors on the Blue Star board and thus related parties in this instance, the loan extension agreement is conditional upon the approval of the independent directors of the Company who, having first given careful consideration and reviewed in detail the terms and benefits of the loan extension, must also consult with the Company's nominated adviser, Daniel Stewart & Company plc ("Daniel

Stewart"), as to whether the terms are fair and reasonable insofar as the Company's shareholders as a whole are concerned.

The independent members of the board believe that this is useful commercial arrangement and supports the Company's current activities, and the independent board and Daniel Stewart believe that the loan extension is fair and reasonable for shareholders as a whole.

Blue Star Capital is considering a number of current investment opportunities and deals.

Enquiries:

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