Blue Star Capital plc - Interim Results
29 June 2007

BLUE STAR CAPITAL PLC

('Blue Star' or 'the Company')

Interim results for the period ended 31st March 2007

Blue Star Capital plc (AIM: BLU), the Company created to provide seed capital for early stage companies, announces its interim results for the period ended 31st March 2007.

Highlights

Blue Star has built a diverse investment portfolio which is beginning to realise value

Realisations have lead to a substantial reduction in post tax losses to £110,171 compared with a post-tax loss of £238,768 for the corresponding six months in 2006

Balance sheet remains strong with free net cash of £1 million as at 31 March 2007

Nigel Robertson, Blue Star's Chairman, said:

"Our strategy of investing in companies with the potential to deliver substantial capital growth is beginning to bear fruit. Our investments are delivering on their business strategy and this has resulted in a satisfactory reduction in our post-taxes losses. We believe that your Company is well placed and I look forward to reporting progress to you over the next twelve months."

For further information:

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Blue Star Capital Plc

Chairman's statement

I can report that, for the six months ended 31March 2007, we have substantially reduced our post-tax loss to £110,171 compared with the post-tax loss of £238,768 incurred in the corresponding six month period last year. The loss per share has also been significantly reduced, to 0.10p in the period under review compared with a loss per share of 0.23p in the six month period last year.

The reduction in losses is a result of the company beginning to realise some of the value of its investment portfolio in the period the company made gains on investments of £111,284. We expect to realise further gains in the second half of the year. Our balance sheet remains strong with net cash at the balance sheet date of 31 March 2007 of £1.0 million. Blue Star has built a diverse range of investment portfolio investing in companies that have good growth opportunities an update of the company's portfolio of key investments is set out below.

Zenergy PLC

Zenergy PLC (AIM : ZEN) is a global specialist manufacturer and developer of commercial applications for superconductive materials. Comprising three operating subsidiaries located in Germany (Trithor), USA (SC Power Systems) and Australia (Australian Superconductors), Zenergy is developing a number of energy efficient applications to be adopted in renewable energy power generation, energy efficient applications to be adopted in renewable energy power generation, energy distribution and large scale, energy intensive industrial processes.

In April 2007 Zenergy raised £6 million from institutional investors at £1.40 per share. The proceeds of this placing will be used for working capital and the acceleration of its ongoing research and development activities with a particular emphasis on the groundbreaking work that the company is doing to bring to market a range of highly efficient, light-weight and compact wind generators for the offshore wind market. The Company announced in May 2007 that it had completed the construction and successful testing of its HTS induction heater ahead of schedule and established energy efficiency levels of 90% compared to conventional induction heaters that operate at between 35% and 45% efficiency levels. The company will now be able to market its induction heaters in a market which they estimate to be £2 billion per annum.

The collaboration with Coverteam is working well and in June the company announced that its HTS electromagnetic coils have passed through extensive testing and technical evaluation and have been qualified for use in commercial wind power generators. The tests established electrical performance, electrical capacity and electrical efficiency levels exceeding management expectations. Zenergy has received a further commercial order worth in excess of 600,000 Euros from Coverteam.

Gasol PLC

Gasol PLC (AIM : GAS) is an AIM-listed company, established to capitalise on significant acquisition and investment openings in the oil and gas sectors. A core focus of its business is the exploitation of liquefied natural gas (LNG) opportunities in the Gulf of Guinea Region of West Africa. LNG is likely to remain the fastest growing hydrocarbon sub-segment beyond 2015 and Gasol is strategically positioned to profit from this. LNG is emerging as the swing gas supplier in an increasing global market, particularly given the depleting indigenous European and US gas supplies and concerns over the security of European gas supplies.

On 1 September 2006, the company announced the acquisition of a 20 per cent. Shareholding in African LNG Holdings Ltd ("African LNG"), a business whose strategic intention is to become the premier independent LNG company in the Gulf of Guinea. Gasol also entered into a Share Option Agreement with African LNG pursuant to which Gasol was granted the option to acquire the remaining 80% equity at a discount providing Gasol with the opportunity to receive considerable additional value through the acquisition.

African LNG is a subsidiary of African Gas Development Corporation ("Afgas"), which has an exclusive joint venture with Sonagas, the national gas company of the Republic of Equatorial Guinea that has exclusive responsibility for the State's interest in all existing and future gas related projects in the country. African LNG is currently focussing its development strategy on LNG projects. To facilitate the financing of these projects, it is also in discussions with a number of major European utilities in respect of downstream partnerships and long term sales arrangements.

Last year, Gasol and African LNG entered into a strategic alliance with Afren plc (AIM: AFR), an African Exploration and Production company with assets in West Africa. Afren is focused exclusively on upstream oil and gas opportunities in Africa and is utilising its well connected board and management to offer stranded gas supplies on a first right of refusal basis to Gasol and African LNG.

Black Raven PLC

Black Raven PLC (AIM : BRP) is an AIM listed company focussed on opportunities in the property sector in Portugal. Its target market is high end residential housing market, as well as commercial development opportunities with a focus on those assets where full planning approval is in place and a completion timeframe of 1 to 3 years. The company has acquired five residential sites in the Lisbon area, thus expanding the Company's portfolio of freehold and other investments.

In January 2007 Black Raven set up a Portuguese Closed Ended Real Estate Investment Fund called White Raven Capital Partners. The reasons for forming White Raven are to facilitate the future raising of funds, creating a more tax efficient structure and providing an improved base for the realisation of its assets. The valuation of the property assets vended was done by independent valuers and this generated a profit of approximately 3 million Euros for Black Raven.

Further equity was raised in June 2007 by issuing 30,000,000 new ordinary shares of 1p each at a price of 6.5p (a significant premium to then prevailing market price) a share giving an aggregate value of the new shares of £1.95 million. These shares have been issued in lieu of consideration due and payable to Validius Investments SA as part of the profit sharing agreement. The company's balance sheet has been strengthened over the last year.

India Outsourcing Services PLC

India Outsourcing Services PLC (AIM : IOS) is an AIM listed company whose strategy is to seek acquisition opportunities in the Business Process Outsourcing sector have been looking at a number of potential transactions in India and elsewhere. They have found that valuations are stretched in India and vendors have very high expectations hence they are now concentrating on other geographies. IOS reported in June that they are carrying out due diligence on two potential transactions and expect to announce further details in respect of one of these in the next few weeks. As at 31 March 2007 IOS had net cash of £2.62 Million which is equivalent to 27.9 pence per share which represents a very significant to the Company's market share price.

Eseekers LTD (izimi.com)

Eseekers is a private company which launched the izimi.com portal in March 2007. Izimi's desktop application allows users to serve an unlimited number of files to the internet directly from their own personal computer with just a simple URL. The free izimi internet self-publishing application is the first of its kind to place no restrictions on file type, size or quality that users can share without the need for recipients of the URL to register or download any client application. Files can be accessed directly with just a web browser by clicking a link. The Internet is a rapidly changing space and izimi is the next logical step in user-generated content, social media and social networking phenomenon taking place now by enabling users to easily share all types of content with anyone with a web browser. Using izimi's simple service people are now able to completely control their own media without relying on external servers. Izimi is right on the curve of this fundamental change of truly empowering users to self publish and self mange their own content.

Venteco PLC

Venteco PLC (AIM : VTO) is an AIM listed company which specialises in non-toxic pest control solutions which uses patented cryonite technology to kill all life stages of insects in a poison-free and environmentally friendly manner. The technology involves the use of carbon dioxide gas which is sprayed as a snow produced by a special nozzle thereby achieving rapid cooling. The premises do not need to be evacuated and production of foodstuffs can continue during sanitations, thereby making the method cost effective as well as environmentally friendly. Cryonite is in the early stages of commercialisation but the units have been distributed in 20 countries across four continents.

CTS technologies AG, the developer of patented cryonite technology, was acquired via a reverse acquisition by Venteco in August 2006. CTS's business model varies between markets but is founded on securing marketing and distribution agreements with pest control operators (PCOs). In Europe, for example, this is done through a distribution agreement with Linde, the industrial gases group, which leases Cryonite units to PCOs and end customers, such as food industries and hotels.

Terminix, the largest pest control company in the world alongside Orkin, reaffirmed its commitment to Cryonite, with its decision to market the product in the US market. Initially, Terminix chose to deploy 50 Cryonite units across its branch offices in the US from the beginning of 2007. Terminix has devoted significant resources towards a successful launch. In parallel, CTS continues its efforts to extend Cryonite's deployment into other major US pest control companies.

Linde, which acts as the distribution partner for CTS Technologies, a subsidiary of Venteco, has experienced strong demand for Cryonite, out its entire existing inventory. Linde recently placed an order for 150 units which compares to total units shipped in 2006 of 152.

Outlook

We have a built up a diverse range of portfolio investments and have started to realise some of our investments a trend which we expect to continue in the second half. With our strong cash position and good portfolio we look forward to the future with confidence.

Nigel Robertson Chairman

Blue Star Capital Plc

Profit and Loss Account for the period ended 31 March 2007

	6 months ended 31 March 2007 (unaudited)	6 months ended 31 March 2006 (unaudited)	Year ended 30 September 2006 (audited)
	£	£	£
Turnover	-	-	-
Impairment to the value of fixed asset investments	-	-	(387,200)
Gains on investments	111,284	1,156	10,512
Administrative expenses	(247,331)	(310,333)	(587,455)
Operating loss	(136,047)	(309,177)	(964,143)
Net interest receivable	25,876	70,409	112,427
Loss on ordinary activities before taxation	(110,171)	(238,768)	(851,716)
Tax on loss on ordinary activities	-	-	-
Loss on ordinary activities after taxation	(110,171)	(238,768)	(851,716)
Loss per share - basic and	(0.10p)	(0.23p)	(0.81p)

diluted

All amounts relate to continuing activities.

All recognised gains and losses for the period have been included in the profit and loss account.

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Balance Sheet at 31 March 2007

6 months ended 6 months ended Year ended 30 31 March 2007 31 March 2006 September 2006 (unaudited) (unaudited) (audited)

£ £ £ Fixed assets Tangible assets 2,581 9,315 7,605 Investments 2,977,742 2,203,978 3,038,731

2,980,323 2,213,293 3,046,336

Current assets Debtors 132,909 25,429 53,148 Cash at bank and in hand 1,001,239 2,627,701 1,122,166

1,134,148 2,653,130 1,175,314

Creditors falling due within (131,129) (159,962) (128,137) one year

Net current assets 1,003,019 2,493,168 1,047,177

Total assets less current 3,983,342 4,706,461 4,093,513 liabilities

Capital and reserves Called up share capital 105,500 105,500 105,500 Share premium account 5,032,525 5,032,525 5,032,525 Profit and loss account (1,154,683) (431,564) (1,044,512)

Shareholders funds - equity 3,983,342 4,706,461 4,093,513

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Cash flow statement for the period ended 31 March 2007

6 months ended 6 months ended Year ended 30 31 March 2007 31 March 2006 September 2006 (unaudited) (unaudited) (audited)

£ £ £

Net cash outflow from (319,075) (303,732) (635,662) operating activities

Returns on investments and servicing of finance Interest received 25,876 70,460 112,488 Interest paid - (51) (61)

Net cash inflow from returns 25,876 70,409 112,427 on investments and servicing of finance

Financial investments and capital expenditure Payments to acquire tangible - (2,375) (5,402) fixed assets Payments to acquire (150,000) (815,081) (2,046,256) investments Proceeds from sale of 322,272 28,416 46,994 investments

Net cash outflow from 172,272 (789,040) (2,004,664) financial investments and capital expenditure

Net cash outflow (120,927) (1,022,363) (2,527,899)

(Decrease) increase in net (120,927) (1,022,363) (2,527,889) cash in the period

Blue Star Capital Plc

Notes to the Interim Report

1. Basis of preparation

The interim accounts for the six months ended 31 March 2007 are unaudited and do not constitute statutory accounts in accordance with section 240 of the Companies Act 1985.

The financial statements have been prepared in accordance with currently applicable Accounting Standards in the United Kingdom, which have been applied consistently, and under the historical cost convention.

Accounting policies consistent with those applied in the financial statements for the period ended 30 September 2006 have been used in preparing the unaudited interim financial statements for the 6 months ended March 2007.

2. Taxation

There is no tax charge for the period due to the loss arising.

3. Dividends

The Directors are not declaring a dividend for the six months ended 31 March 2007.

4. Loss per ordinary share

The calculation of basic and diluted loss per share of 0.10 (2006 0.23) pence is based on the loss for the period of £110,171 (2006 £238,768) and on 105,500,000 (2006 105,500,000) ordinary shares, being the weighted average number of ordinary shares in issue during the period ended 31 March 2007.

5. Copies of interim results

Copies of the interim results are available from the Company's office, 22 Soho Square, London W1D 4NS.