

[30 December 2013

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

**Loan conversion and director share issue**

Further to the announcement on 24 December 2013, Blue Star announces that Anthony Fabrizi, CEO of the Company, has agreed to convert a portion of the outstanding amount owed to him into equity by the Company under the shareholder loan ("the Loan") entered into on 28 April 2011 and thereafter subsequently extended to the end of January 2014. In addition, the Company announces that it has repaid £96,000 of the Loan ("the Repayment").

**Loan conversion**

Anthony Fabrizi (the "Loan Holders") has agreed to convert £26,000 of the Loan (the "Conversion") at a price of 0.5p per share, the same terms as the recent loan conversions, into 5,200,000 new ordinary shares in the capital of the Company ("Loan Conversion Shares").

Following the Conversion and Repayment, the amount outstanding under the Loan (including interest and repayment premium already accrued) will be £85,292 ("Revised Principal"). To preserve Company cash and aid the implementation of the Company's investing policy, the Loan Holders have previously agreed to waive interest on the Loan until end January 2014, being the final redemption date for the Loan.

Application has been made for the Loan Conversion Shares, Consideration Shares and the Subscription Shares to be admitted to trading on AIM ("Admission") and it is expected that Admission will take place on or around 3 January 2014.

Following Admission, the Company will have 390,700,441 ordinary shares in issue ("Issued Share Capital"). This figure may be used by shareholders in Blue Star as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Issued Share Capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

Anthony Fabrizi will be interested in 9,426,203 ordinary shares in the Company representing 2.4 per cent of the Issued Share Capital.

**Related Party Transaction**

Anthony Fabrizi, Chief Executive Officer of the Company, is amongst those that provided the Loan and is a related party for the purposes of AIM Rule 13. Graham Parr, the independent director of the Company considers, having consulted with the Company's nominated adviser Daniel Stewart & Company plc ("Daniel Stewart"), that the terms of the repayment of the Loan are fair and reasonable insofar as the Company's shareholders are concerned.

Ends

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