

20 June 2011

Blue Star Capital plc

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

Blue Star Capital, the AIM listed investment company focused on the Homeland Security sector is pleased to announce the acquisition of one of its investee companies, Zimiti Limited ("Zimiti") (the "Acquisition") by Digital Barriers plc (AIM:DGB).

Under the terms of the Acquisition, Digital Barriers will acquire the entire issued share capital of Zimiti on a cash-free, debt-free basis for an initial consideration of £1.5 million in cash. Dependent on the successful satisfaction by Zimiti of certain financial and operational targets in the period from completion of the acquisition to 30 September 2013, further deferred consideration may be paid up to a maximum total consideration of £10.0m. This deferred consideration would be satisfied by the payment of a maximum of £4,250,000 in cash, with the balance satisfied through the issue of new Ordinary Shares in Digital Barriers.

Blue Star Capital's fully diluted holding in Zimiti of 26.01% is valued at £721,024 in its Interim Accounts at 31 March 2011 and this value will continue to be carried until the various earnout criteria are achieved and recognised. The initial cash consideration to Blue Star will be approximately £250,000 (having been reduced pro-rata by Zimiti discharging its debts at completion) and the subsequent Digital Barriers shares received, where the number of shares to be issued is calculated from their prior five day average close price at that time, will be in "lock-in" for twelve months from each issue. The cash received will be utilised to progress the Company and no profits are attributable.

Blue Star Capital is pleased to report a successful exit in its core investment strategy to invest in world-class Homeland Security companies where their technology has class-leading dual-use capability across both the defence and civilian sectors.

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About Zimiti Limited (www.zimiti.com):

Zimiti, based in Cambridge, UK, focuses on the development of Unattended Ground Sensor ("UGS") technology. UGS solutions are used in a range of surveillance and protective applications across both the defence and security sectors, and are particularly effective in remote or hostile locations.

About Digital Barriers (www.digitalbarriers.com)

Founded by the leadership team behind Detica Group, Digital Barriers is focused on the provision of specialist products and services to the homeland security market where the threat of international and domestic terrorism represents a compelling commercial opportunity. Over time, the Company aims to become a mid-market specialist, working directly with end-customers and internationally through key partner organisations, to provide focused, proportionate and effective solutions for the protection of high-profile targets, crowded spaces and the critical national infrastructure.

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