

30 January 2014

Blue Star Capital plc

("Blue Star" or "the Company")

Shareholder Loan Update

Further to the announcement dated 30 December 2013, the Company has agreed an extension to the shareholder loan agreement (the "Loan") entered into on 28 April 2011, and thereafter extended. The original amount of the Loan was £400,000, which with the accrued interest, originally had been due for repayment by 31 March 2012.

Save as set out below, the terms of the Loan remain unchanged, except that repayment, which had been extended to 31 January 2014, has now been deferred until 31 March 2014 (the "Final Redemption Date").

As at 31 January 2014, the amount outstanding under the Loan was £85,292, including interest and repayment premium already accrued ("Revised Principal"). To preserve Company cash and aid the implementation of the Company's investing policy, the Loan Holders have agreed to waive interest on the Loan until the Final Redemption Date.

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 conversion of the Loan are fair and reasonable insofar as the Company's shareholders are concerned.

Ends

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