

Blue Star Capital plc
(“Blue Star” or the “Company”)

Update on SatoshiPay

Blue Star Capital plc (AIM: BLU), the investing company with a focus on new technologies, is pleased to announce an update in respect of SatoshiPay’s proof of concept project with the IOTA Foundation to explore replacing Bitcoin with an alternative cryptocurrency, IOTA, as SatoshiPay's settlement network.

Further to the Company’s announcement on 17 July 2017, SatoshiPay has been working with the IOTA Foundation throughout August and the technical elements of the project are now largely complete. SatoshiPay and IOTA have successfully built a demo site featuring the new payment backend based on the fee-free IOTA network. The site supports initial funding of the SatoshiPay web wallet with IOTAs, nanopayments for individual content items and pay-outs to content publishers. As with the current SatoshiPay solution, no extra software needs to be downloaded by the consumer and there is no log-in. The consumer also retains control over their funds, because their private keys approving fund transfers are never shared with SatoshiPay.

The creation of the proof-of-concept website coincides with the early release of IOTA’s new Flash Network technology, which allows instantaneous payments by creating a layer on top of the IOTA ledger. SatoshiPay’s demo features a fully browser-based implementation of the Flash Network. SatoshiPay are working with IOTA’s core developers and exchange test feedback.

SatoshiPay is now focused on finessing the demo and securing content from publishing partners for the public release of the proof-of-concept website, which is expected to go live during September.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 (“MAR”).

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About Blue Star Capital Plc

Blue Star is an investing company with a focus on new technologies. Blue Star’s investments include a 31% holding in SatoshiPay, a nanopayment software and blockchain company; a holding in Disruptive Tech Limited, an investing company with five investments including a 38% holding in VNU Group LLC

("VNU") a speciality online direct retailer of premium goods paid for through an instant credit facility and a holding in Nektan PL; and an investment in Sthaler, an early stage identity and payments technology business which enables a consumer to identify themselves and pay using just their finger at retail points of sale.

About SatoshiPay Ltd

SatoshiPay is headquartered in London with development led through its office in Berlin. Angel funding for SatoshiPay Ltd was supplied by Axel Springer Plug & Play and Henning Peters. Seed funding was raised through Jim Mellon, Huiyin Blockchain Venture and Blue Star Capital. Development of SatoshiPay's nanopayment product started in April 2015 and its beta version was released in February 2016. Find updated information at the company's website <https://satoshipay.io>, its blog <https://medium.com/@SatoshiPay> and Twitter @SatoshiPay.

About IOTA Foundation

The IOTA Foundation is a non-profit foundation in Germany, established with the purpose of developing, maintaining and standardizing new open source protocols based on distributed ledger technologies (DLT). The IOTA tangle provides a revolutionary open source DLT which is scalable, lightweight and makes it possible to transfer value or data without any fees. Find more information about IOTA at <http://iota.org> or Twitter @iotatoken