

**Blackstar Group Plc  
(the "Company")**

**Cancellation of Capital Redemption Reserve**

Further to the announcements made on 3 February 2010, 18 February 2010 and 9 March 2010, the Board of the Company announces that the High Court of England and Wales has today confirmed the cancellation of the capital redemption reserve of the Company of approximately GBP30.156 million (the "Cancellation") in order to create distributable reserves.

The Company will proceed to register the Cancellation with the UK registrar of companies and the Cancellation will become effective from the date that the Cancellation is so registered. The Company anticipates that the Cancellation will become effective on 1 April 2010.

The Company will be announcing its preliminary results for the year ended 31 December 2009 on 6 April 2010.

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31 March 2010