

18 April 2008

Blackstar Investors plc

Disposal of investment

Blackstar Investors plc ("Blackstar" or the "Company"), the AIM-quoted investor in South African black economic empowerment ("BEE") opportunities, is pleased to announce that, on 17 April 2008, it disposed of eight million shares in The York Timber Organisation Limited ("York"), at a price of R25.17 per share realising a cash consideration of R201.35 million (GBP12.87 million).

This realisation represents an internal rate of return of 103% and a return on cash of 2.07 in sterling terms.

Andrew Bonamour, Director, stated: "This disposal of shares in York demonstrates the strength of Blackstar's strategy to invest in sectors and industries that we believe will perform well and to seek realisations to generate returns for our investors. We remain optimistic about the prospects for York and have retained our interests in its share capital of 10.4% of its ordinary shares and our initial interest, through a special purpose vehicle, in its preference shares."

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