

Schedule 1 version release date – 16 October 2009

**PROFORMA SCHEDULE 1 PRE-ADMISSION ANNOUNCEMENT
TO BE ISSUED PURSUANT TO RULE 2 OF THE AIM RULES FOR COMPANIES**

Instructions and Information

Content and timing

- For full information on what information should be disclosed and what particular terms mean, please see Schedule One to the AIM Rules for Companies. In particular, underlined terms are more fully explained in those rules.
- Announcements can be submitted for release with limited information missing (e.g. number of securities to be admitted), where such information is unknown at the time, but please note right of the Exchange under rule 2 to restart the 10 day period in the case of changes it considers material and the right under rule 9 to delay admission. Such matters should be brought to the attention of AIM Regulation without delay. Where appropriate information is to follow, please state 'TBC' in the relevant reply box.
- Pursuant to rule 2 of the AIM Rules for Companies, announcements need to be released with 10 clear business days between the date of our receipt of the announcement and the date of admission. For quoted applicants, that period increases to 20 business days. Bank holidays do not count as business days. If AIM Regulation receives an announcement prior to 8am on a working day and is able to release the announcement prior to 10am, it may at its discretion count that as the first clear business day.

Format

- The **white boxes** below each heading should be completed as fully as possible. The grey boxes should not be amended or deleted in any way.
- The form should not contain any revision marking, tabs or bullets as this cannot be recognised on RNS.
- Bold should only be used where it is an Update announcement and in relation to information that has changed since the last version that was released.

Release

- In order to release the form, please email a Word version to aimregulation@londonstockexchange.com. AIM Regulation will confirm to you by email when the announcement has been released.
- If details in relation to expected market capitalisation, capital raised on admission and shares not in public hands are not included on the form please include them in your covering email (for our internal information only),
- In the case of queries please contact AIM Regulation on +44 (0) 20 7797 4154.

ANNOUNCEMENT TO BE MADE BY THE AIM APPLICANT PRIOR TO ADMISSION IN ACCORDANCE WITH RULE 2 OF THE AIM RULES FOR COMPANIES (“AIM RULES”)

COMPANY NAME:

Blackstar Group SE

COMPANY REGISTERED OFFICE ADDRESS AND IF DIFFERENT, COMPANY TRADING ADDRESS (INCLUDING POSTCODES) :

On 10 February 2012 Blackstar Group SE (“Blackstar”) received shareholder approval to transfer its registered office from the UK to Malta and establish its tax residence and principal place of business in Malta and terminate its principal place of business and tax residence in Luxembourg (the “Transfer”). While Blackstar is currently quoted on the AIM of the London stock exchange, as part of its redomiciliation in accordance with the AIM rules Blackstar will have its existing quotation on AIM cancelled at the same time as readmitting its shares.

As such, Blackstar’s current registered office is:

Capita Company Secretarial Services
2nd Floor
Ibex house
The Minorities
London
EC3N 1DX

And, upon readmission:

4th Floor
Avantech Building
St Julian’s Road
San Gwann
SGN 2805

Blackstar’s current tax residence and principal place of business is:

58 rue Charles Martel
L-2134 Luxembourg

And, upon readmission:

4th Floor
Avantech Building
St Julian’s Road
San Gwann
SGN 2805

COUNTRY OF INCORPORATION:

Current Country of Incorporation:

England and Wales

Proposed Country of Incorporation, subject to successful completion of the Transfer, as approved by shareholders on 10 February 2012:

Malta

COMPANY WEBSITE ADDRESS CONTAINING ALL INFORMATION REQUIRED BY AIM RULE 26:

<http://www.blackstar.lu/rule26.htm>

COMPANY BUSINESS (INCLUDING MAIN COUNTRY OF OPERATION) OR, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTING POLICY). IF THE ADMISSION IS SOUGHT AS A RESULT OF A REVERSE TAKE-OVER UNDER RULE 14, THIS SHOULD BE STATED:

The investment objective of the Company is to generate shareholder returns through investing in a portfolio of businesses in South Africa with the underlying themes of strategic market position, strong cash flows and the ability to exploit the wider African markets from its South African base. The Company may invest in the form of either equity or debt and may acquire directly or indirectly controlling or minority holdings in investee companies.

Acquired businesses are run on a decentralised manner with local management maintaining an entrepreneurial focus and being responsible for their own operations. The Company seeks to be actively involved in setting the strategy of the investee companies and act as an allocator of capital and resources but does not take day to day responsibility for the management of investee companies. Over a period of time Blackstar intends to dispose of its existing minority investments where it has little management input or influence.

The Company is a long term investor and the Board places no limit on the length of time that any portfolio investment may be held. The Board considers, on a case by case basis, the optimum exit strategy for each portfolio investment.

The Company expects to only hold a small number of portfolio investments at any one time. However, there is no minimum or maximum number of investments that the Company can hold at any one time, nor are there any maximum exposure limits per portfolio investment.

The Company finances its portfolio investments out of its own cash resources and utilises third party debt funding as appropriate. In addition, investee companies may themselves have gearing. There is no maximum gearing level for either the Company or on a Group basis. However the Directors will review the level of gearing in the Group on a regular basis.

Save as set out above, the Company does not have any investment restrictions.

DETAILS OF SECURITIES TO BE ADMITTED INCLUDING ANY RESTRICTIONS AS TO TRANSFER OF THE SECURITIES (i.e. where known, number and type of shares, nominal value and issue price to which it seeks admission and the number and type to be held as treasury shares):

82,088,422 Ordinary Shares of €0.76.

No shares are held in treasury.

CAPITAL TO BE RAISED ON ADMISSION (IF APPLICABLE) AND ANTICIPATED MARKET CAPITALISATION ON ADMISSION:

No capital is to be raised on admission. Anticipated market capitalisation on readmission c.£63m based on the share price as at 21 March 2012.

PERCENTAGE OF AIM SECURITIES NOT IN PUBLIC HANDS AT ADMISSION:

26.56%

DETAILS OF ANY OTHER EXCHANGE OR TRADING PLATFORM TO WHICH THE AIM COMPANY HAS APPLIED OR AGREED TO HAVE ANY OF ITS SECURITIES (INCLUDING ITS AIM SECURITIES) ADMITTED OR TRADED:

AltX market of the Johannesburg Stock Exchange (JSE) – ticker BCK. Blackstar has been listed on AltX since 12 August 2011.

FULL NAMES AND FUNCTIONS OF DIRECTORS AND PROPOSED DIRECTORS (underlining the first name by which each is known or including any other name by which each is known):

John Broadhurst Mills (Non-executive Chairman)
Andrew David Bonamour (Non-executive Director)
Wolfgang Andreas Baertz (Non-executive Director)
Marcel Ernzer (Non-executive Director)
Charles Taberer (Non-executive Director)

FULL NAMES AND HOLDINGS OF SIGNIFICANT SHAREHOLDERS EXPRESSED AS A PERCENTAGE OF THE ISSUED SHARE CAPITAL, BEFORE AND AFTER ADMISSION (underlining the first name by which each is known or including any other name by which each is known):

Name	% of issued share capital
<u>Directors and Management</u>	26.65
<u>Damille Investments</u>	17.05
<u>BIL (Custodian)</u>	10.19
<u>RMB Securities (Pty) Ltd</u>	10.08
<u>Schroder Investment Management Limited</u>	8.74
<u>Lansdowne Partners Limited</u>	7.74
<u>Midas Capital</u>	7.09
<u>Weiss Asset Management</u>	6.6
<u>Credit Suisse Private Banking</u>	5.97
<u>Tantalum Capital Proprietary Limited</u>	5.63
<u>Henderson Global Investors Limited</u>	3.79

Source: RD:IR analysis (26 January 2012) updated for TR1 announcements

NAMES OF ALL PERSONS TO BE DISCLOSED IN ACCORDANCE WITH SCHEDULE 2, PARAGRAPH (H) OF THE AIM RULES:

Person	Relationship	Payment (£)
Investec Bank Limited	Debt provider	263,014
PSG Capital	JSE Sponsor	243,266
M Partners	Legal Advisors	226,143
Liberum Capital Limited	Nomad and Broker	140,439

Paul Hastings (Europe) LLP	Legal Advisors	120,873
Edward Nathan Sonnenbergs Inc	Legal Advisors	104,700
BDO LLP	Auditors	103,822
Maitland Luxembourg	International Advisors	79,298
Air-O-Thene Products (Pty) Limited	Transaction Advisor	72,831
Ganado & Associates	Legal Advisor	69,286
Werksmans Attorneys	Legal Advisor	66,493
Sterling Financial Print	Printer	65,508
Lark Insurance Brokers	Insurance provider	57,460
Collins Stewart Europe Limited	Former NOMAD and Broker	42,604
Capita Registrars	Registrar	38,535
Macfarlanes	Legal Advisor	33,925
Ince (Pty) Limited	Printers	27,966
Read Hope Phillips	Legal Advisor	14,259
Notary M. Schaeffer	Notary in Luxembourg	13,978
Standard Bank of South Africa Limited	Company Bankers	11,621

Assuming a ZAR/GBP exchange rate of 0.0847.

- (i) ANTICIPATED ACCOUNTING REFERENCE DATE
(ii) DATE TO WHICH THE MAIN FINANCIAL INFORMATION IN THE ADMISSION DOCUMENT HAS BEEN PREPARED (this may be represented by unaudited interim financial information)
(iii) DATES BY WHICH IT MUST PUBLISH ITS FIRST THREE REPORTS PURSUANT TO AIM RULES 18 AND 19:

i) 31 December

ii) N/A (Admission sought via the AIM Designated Market Route)

iii) 30 June 2012; 30 September 2012 and 30 June 2013

EXPECTED ADMISSION DATE:

23 April 2012

NAME AND ADDRESS OF NOMINATED ADVISER:

Liberum Capital Limited
Ropemaker Place, Level 12
25 Ropemaker Street
London
EC2Y 9LY

NAME AND ADDRESS OF BROKER:

Liberum Capital Limited
Ropemaker Place, Level 12
25 Ropemaker Street
London
EC2Y 9LY

OTHER THAN IN THE CASE OF A QUOTED APPLICANT, DETAILS OF WHERE (POSTAL OR INTERNET ADDRESS) THE ADMISSION DOCUMENT WILL BE AVAILABLE FROM, WITH A STATEMENT THAT THIS WILL CONTAIN FULL DETAILS ABOUT THE APPLICANT AND THE ADMISSION OF ITS SECURITIES:

N/A

DATE OF NOTIFICATION:

21 March 2012

NEW/ UPDATE:

NEW

QUOTED APPLICANTS MUST ALSO COMPLETE THE FOLLOWING:

THE NAME OF THE AIM DESIGNATED MARKET UPON WHICH THE APPLICANT'S SECURITIES HAVE BEEN TRADED:

Blackstar's shares are currently trading on the AIM market of the London Stock Exchange. On 10 February 2012 Blackstar received shareholder approval to transfer its registered office from the UK to Malta, establish its tax residence and principal place of business in Malta and terminate its principal place of business and tax residence in Luxembourg (the "Transfer"). While Blackstar is currently quoted on the AIM of the London stock exchange, as part of its redomiciliation in accordance with the AIM rules Blackstar must have its AIM quotation cancelled at the same time as having its shares readmitted. Accordingly, the London Stock Exchange has agreed that Blackstar is to be treated as a "quoted applicant" for the purposes of the AIM Rules for Companies.

In addition, the company has a secondary listing on the AltX market of the Johannesburg Stock Exchange (JSE) – ticker BCK.

THE DATE FROM WHICH THE APPLICANT'S SECURITIES HAVE BEEN SO TRADED:

Blackstar has been traded on the AIM market of the London Stock Exchange since 26 January 2006.

Blackstar commenced trading on the AltX market of the JSE on 12 August 2011.

CONFIRMATION THAT, FOLLOWING DUE AND CAREFUL ENQUIRY, THE APPLICANT HAS ADHERED TO ANY LEGAL AND REGULATORY REQUIREMENTS INVOLVED IN HAVING ITS SECURITIES TRADED UPON SUCH A MARKET OR DETAILS OF WHERE THERE HAS BEEN ANY BREACH:

The Directors confirm, following due and careful enquiry, that as at the date of this Announcement, the Company has adhered to all legal and regulatory requirements involved in having its securities traded on the AIM market of the LSE and the AltX market of the JSE and has not been in breach thereof.

AN ADDRESS OR WEB-SITE ADDRESS WHERE ANY DOCUMENTS OR ANNOUNCEMENTS WHICH THE APPLICANT HAS MADE PUBLIC OVER THE LAST TWO YEARS (IN CONSEQUENCE OF HAVING ITS SECURITIES SO TRADED) ARE AVAILABLE:

<http://www.blackstar.eu/>

DETAILS OF THE APPLICANT'S STRATEGY FOLLOWING ADMISSION INCLUDING, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTING STRATEGY:

The investment objective of the Company is to generate shareholder returns through investing in a portfolio of businesses in South Africa with the underlying themes of strategic market position, strong cash flows and the ability to exploit the wider African markets from its South African base. The Company may invest in the form of either equity or debt and may acquire directly or indirectly controlling or minority holdings in investee companies.

Acquired businesses are run on a decentralised manner with local management maintaining an entrepreneurial focus and being responsible for their own operations. The Company seeks to be actively involved in setting the strategy of the investee companies and act as an allocator of capital and resources but does not take day to day responsibility for the management of investee companies. Over a period of time Blackstar intends to dispose of its existing minority investments where it has little management input or influence.

The Company is a long term investor and the Board places no limit on the length of time that any portfolio investment may be held. The Board considers, on a case by case basis, the optimum exit strategy for each portfolio investment.

The Company expects to only hold a small number of portfolio investments at any one time. However, there is no minimum or maximum number of investments that the Company can hold at any one time, nor are there any maximum exposure limits per portfolio investment.

The Company finances its portfolio investments out of its own cash resources and utilises third party debt funding as appropriate. In addition, investee companies may themselves have gearing. There is no maximum gearing level for either the Company or on a Group basis. However the Directors will review the level of gearing in the Group on a regular basis.

Save as set out above, the Company does not have any investment restrictions.

A DESCRIPTION OF ANY SIGNIFICANT CHANGE IN FINANCIAL OR TRADING POSITION OF THE APPLICANT, WHICH HAS OCCURRED SINCE THE END OF THE LAST FINANCIAL PERIOD FOR WHICH AUDITED STATEMENTS HAVE BEEN PUBLISHED:

The Company's latest audited accounts relate to the year ended 31 December 2010 and are available from:

<http://www.blackstar.lu/publications.htm>

Since 31 December 2010, the following significant changes in the Company's financial or trading position have occurred:

21 February 2012: Blackstar entered into a conditional agreement for the sale of 72,989,078 ordinary shares in Litha Healthcare Group Limited to Paladin Labs Inc. The

sale is for a cash consideration of R200,719,964 (£16.6m) and represents 50% of Blackstar's interest.

18 Jan 2012: Blackstar acquired 28% of Mvelaphanda Group for c.£38m. To fund the acquisition Blackstar used c.£12m of its own cash and drew down c.£20m on a debt facility.

15 Aug 2011: Blackstar sold its 54% shareholding and shareholder loans in Ferro Industrial Products Limited for c.£18.2 million, paid in cash.

11 August 2011: Blackstar issued 10,467,229 new ordinary shares raising c.£8.9m. Admission to AIM took place on 12 August 2011

12 August 2011: Blackstar was admitted to trading on the AltX market of the JSE.

A STATEMENT THAT THE DIRECTORS OF THE APPLICANT HAVE NO REASON TO BELIEVE THAT THE WORKING CAPITAL AVAILABLE TO IT OR ITS GROUP WILL BE INSUFFICIENT FOR AT LEAST TWELVE MONTHS FROM THE DATE OF ITS ADMISSION:

The Directors of the Company have no reason to believe that the working capital available to the Company will be insufficient for at least twelve months from the date of its Admission.

DETAILS OF ANY LOCK-IN ARRANGEMENTS PURSUANT TO RULE 7 OF THE AIM RULES:

N/A – Blackstar has been independent and earning revenue for greater than 2 years.

A BRIEF DESCRIPTION OF THE ARRANGEMENTS FOR SETTLING THE APPLICANT'S SECURITIES:

At admission Blackstar will no longer be incorporated in England and Wales. Securities issued by non-UK incorporated companies cannot themselves be held electronically (i.e. in uncertificated form) or transferred in the CREST system. However, depository interests, representing the securities, can be dematerialised and settled electronically. Accordingly, to enable investors to continue to be able to settle and pay for interests in the Shares through the CREST system, the Company intends to put in place arrangements pursuant to which Capita IRG Trustees Limited will hold, through a custodian, the Shares for shareholders wishing to settle and pay for interests through the CREST system and will issue dematerialised depository interests representing the underlying Shares which will be held on bare trust for the holders of the depository interests. The Company will meet the costs of putting these arrangements in place and so there will be no material impact on shareholders from these arrangements.

A WEBSITE ADDRESS DETAILING THE RIGHTS ATTACHING TO THE APPLICANT'S SECURITIES:

<http://www.blackstar.eu/>

INFORMATION EQUIVALENT TO THAT REQUIRED FOR AN ADMISSION DOCUMENT WHICH IS NOT CURRENTLY PUBLIC:

All information equivalent to that required for an admission document is currently in the public domain.

A WEBSITE ADDRESS OF A PAGE CONTAINING THE APPLICANT'S LATEST ANNUAL REPORT AND ACCOUNTS WHICH MUST HAVE A FINANCIAL YEAR END NOT MORE THEN NINE MONTHS PRIOR TO ADMISSION AND INTERIM RESULTS WHERE APPLICABLE. THE ACCOUNTS MUST BE PREPARED IN ACCORDANCE WITH ACCOUNTING STANDARDS PERMISSIBLE UNDER AIM RULE 19:

Information available at <http://www.blackstar.lu/publications.htm>

THE NUMBER OF EACH CLASS OF SECURITIES HELD IN TREASURY:

There are no shares currently held in treasury.