



MEMORANDUM

TO: ASG Entertainment Shareholders

FROM: Bob Maerz

DATE: June 18, 2018

RE: ASG Entertainment Update

Dear Shareholders,

We would like to take this opportunity to share with you some of the ongoing activities at ASG Entertainment (ASGE). Since the start of 2018, we have been in dialogue to arrange for a block of broadcast time on several stations in various US markets for original proprietary programming created and produced by ASGE. We have created four concepts for original television show programming, which will be one-hour shows.

Additionally, we are putting together a slate of films, some of which are Faith and Family, Christmas themed, and other genres similar to our recently released film *BorderCross* that fall into the 'Rugged Faith' film category. When we have completed our selections and finalize the slate, we will have guaranteed distribution, which will include minimum payment guarantees. Our goal is to sell foreign or domestic territories for cash advances and will most likely produce the films in Louisiana, which after their sweeping revisions in 2017 offer some of the most beneficial tax incentives in all 50 states. ASG will receive executive producer and producer fees and will retain some equity and territorial rights for each film.

We are aware that the media industry is on a threshold of explosion of Virtual Reality (VR) content and know from our work history and experience that the short form duration content such as scripted and live performance songs, lend themselves to the VR format. Because we have the advantages of working with several of our affiliates in this space, we are planning to commence with the creation, production, and licensing of VR music videos. As VR content proliferates and become an 'untethered' experience (sunglasses with wi-fi) and more digital platforms created with this compatibility, this space will become most popular and profitable.

We continue to work closely with Ronnie King and the *Ronnie King Group*. Along with his affiliation with GoDigital Media Group and many recording artists and labels, we are very optimistic and enthusiastic about this initiative.

We continue to seek the best financing opportunities that may be available to us and we thank you for your continued support.

Respectfully,



ROBERT MAERZ
CHAIRMAN & CEO
ASG ENTERTAINMENT