

TRANSCRIPT OF THE  
2018 ANNUAL MEETING OF STOCKHOLDERS  
TO THE STARS ACADEMY OF ARTS AND SCIENCE INC.  
*A Delaware public benefit corporation*

- Operator: Good day everyone, and welcome to the 2018 Annual Meeting of the shareholders of To the Stars Academy of Arts and Science. At this time all participants are in a listen only mode. Please note this call may be recorded. I will be standing by if you should need any assistance. It is now my pleasure to turn today's conference over to Mr. Tom DeLonge. Please go ahead, sir.
- Tom DeLonge: Hello ladies and gentlemen. I call the 2018 Annual Meeting of the stockholders of To the Stars Academy of Arts and Science Inc to order. I am Tom DeLonge, Interim CEO and Chairman of the Board of Directors. Also present today are Jim Semivan, Director and Vice-President of Operations; Dr. Hal Puthoff, Director and Vice-President of Science and Technology; Louis Tommasino, Chief Financial Officer; Steve Justice, Chief Operations Officer; Kari DeLonge, Chief Communications Officer; and Lisa Clifford, Corporate Secretary. Lisa Clifford will serve as Inspector of the Election. At the conclusion of the formal part of this meeting, myself and other members of the Executive Team will give an update on the Company and answer your questions. I appoint Jim Semivan to serve as moderator for this meeting.
- Jim Semivan: Thank you, Tom. Each of you with us today were confirmed as registered stockholders of the Company. The secretary has delivered an affidavit of mailing establishing that notice of this meeting was duly given. A copy of the notice of meeting and the affidavit of meeting will be incorporated into the minutes of this meeting. All stockholders of record at the close of business on November 21, 2018 are entitled to vote. Our first order of business is to determine whether the shares represented at the meeting either in person or by proxy are sufficient to constitute a quorum for the purpose of transacting business. Lisa, do you have the report?
- Lisa Clifford: Yes. The stockholders list shows that holders of 69,290,945 shares of Class A common stock are entitled to vote at this meeting. Approximately 95% of all of the shares entitled to vote are represented in person or by proxy.
- Jim Semivan: Thank you, Lisa. Because holders of the majority of the shares entitled to vote at this meeting are present in person or by proxy, I declare this meeting to be duly convened for purposes of transacting business. The next order of business is a description of the matters to be voted on in today's meeting. The link to the materials describing to proposals before us was in the notice sent to you. You can also follow along on the proxy cards.
- The first proposal before the stockholders is the election of three directors to serve on the Board of Directors until the 2019 Annual Meeting of the stockholders, and until their successors are duly elected and qualified. The management of the Company recommends the election of the following persons: Tom DeLonge, Jim Semivan, Dr. Hal Puthoff.

The second proposal before the stockholders is a vote on the amendment to the Company's Certificate of Incorporation. The management of the Company recommends that you vote for this proposal.

The third proposal before the stockholders is a vote on an amendment to the Company's bylaws by adding a section titled "Drag Along Rights". The management of the Company recommends that you vote for this proposal.

The fourth proposal before the stockholders is a vote on an amendment to the Company's bylaws by adding a section titled "Electronic Consent and Electronic Delivery of Documents". The management of the Company recommends that you vote for this proposal.

We will now vote on the proposals. To cast your vote, you would need to press the corresponding number on your touchtone phone. Please wait for all choices to be read before answering. Please note that there will be a brief silence after the question has been asked so that the results can be compiled. For each proposal, press one to vote for, two to vote against, or three to abstain. Remember that if you have already sent in your proxy cards, your shares have been voted accordingly. You do not need to vote today unless you are voting for the first time or want to change your previous vote.

First, election of the directors. For nominee Tom DeLonge, press one to vote for his election, two to vote against, or three to abstain.

Operator: All votes have been compiled.

Jim Semivan: For nominee Jim Semivan, press one to vote for his election, two to vote against, or three to abstain.

Operator: All votes have been compiled.

Jim Semivan: For nominee Dr. Hal Puthoff, press one to vote for his election, two to vote against, or three to abstain.

Operator: All votes have been compiled.

Jim Semivan: Second, amendment to the Certificate of Incorporation. Press one to vote for the amendment, two to vote against, or three to abstain.

Operator: All votes have been compiled.

Jim Semivan: Third, amendment to the bylaws Drag Along Rights section. Press one to vote for the amendment, two to vote against, or three to abstain.

Operator: All votes have been compiled.

Jim Semivan: Fourth, amendment to the bylaws Electronic Consent section. Press one to vote for the amendment, two to vote against, or three to abstain.

Operator: All votes have been compiled.

Jim Semivan: Now we will pause briefly so that the results can be compiled.

Operator: All votes have been compiled.

Jim Semivan: All right. We now seem to have all of the responses. Since all of those desiring to vote have done so, I hereby declare the polls closed. The tally of phone votes and proxies will be held in the possession of the Inspector of the Election, Lisa Clifford. She will now count the votes.

Lisa Clifford: The ballots have been counted. The nominees for election to the Board of Directors have been duly elected. The amendments to the Certificate of Incorporation and bylaws have passed.

Jim Semivan: Thank you, Lisa. Now back to Tom DeLonge to conclude the formal portion of the meeting.

Tom DeLonge: Thank you, Jim. Thank you all for attending today's meeting. The meeting is adjourned, and we will now have a presentation of the Company's management after which we will answer questions submitted by stockholders.

After launching in October 2017, we were gratified not only by the support of our Regulation A stockholders (2759 of you), but the outreach from like-minded people in government and the aerospace industry who were eager to learn about our efforts. We continue to develop and grow those strategic relationships which we believe will advance our mission, and potentially provide contracts or joint venture opportunities. We were also able to advance our public benefit mission by launching the initial version of our Community of Interest featuring previously unreleased US government videos of unidentified aerial phenomena with valuable commentary from our unparalleled team of experts. We launched the A.D.A.M. Research Project to analyze materials that could provide insight into exotic technologies. We also educated influential policy-makers on the Hill through our team's existing relationships. We published multiple books, including the second book in the *Sekret Machines* franchise. We entered into a working relationship with multiple television networks and have been developing the tremendous potential of our media intellectual property for new channels with exciting collaborators.

As stockholders, our most valuable investment has been in our team who has spent the last year evaluating data, designing plans on how to approach our ambitious objectives, and tirelessly pursuing opportunities to put these plans into action. As with any development stage company, we have our share of challenges in primarily capitalization. The goals we have targeted for our Company require significant investment not only to resolve in commercially

viable products, but to put in the infrastructure necessary to support product development. We also know that some of the intellectual property components, materials, or other elements necessary to implement our plans will be more efficiently outsourced. This means our efforts to find strategic partners and additional investors will continue in 2019 and beyond.

As President and Interim CEO, my job is to take on the Company's challenges without losing sight of our potential future. In five years, I see the Company owner of a best-in-class laboratory for advanced physics research, a world leader in UAP intelligence – that is unidentified aerial phenomena – and integrated as part of pop culture as a company that inspires curiosity and action in the general public. I see us as a key player in socializing interest in the phenomenon and the most trusted research of the phenomenon. I see us capitalized and prepared to float an initial public offering.

Thank you. Next, let me introduce Louis Tommasino, our Chief Financial Officer.

Louis Tommasino: Thank you, Tom. I extend my thanks to all the stockholders for attending today's meeting. I will begin by taking a moment to clarify the To the Stars Academy status as a private Company. While To the Stars Academy must abide by certain SEC rules and guidelines under Regulation A, including making semi-annual filings, it is not a public company as traditionally understood. Its stock is not traded on any exchange. You can find more information on our website and in our filings with the SEC. Our semi-annual filings include detailed financial information, a full year-end audit in our April filing, and mid-year updates in our September filings. Together with explanations of significant events, these filings provide a good picture of the Company's financial health.

As is common in most development stage companies, we have not yet raised the capital necessary to implement our plans. While our plans include the development of what we believe are commercially viable products, it is premature to speculate on when the Company will be profitable or issue dividends. To the Stars Academy strives to responsibly balance its mission objectives in the context of its cash position. We are continually evaluating ways to accelerate progress by seeking additional outside investment, including angel and institutional investors, partnership opportunities, and government contracts. Thank you.

Tom DeLonge: Thank you, Louis. Next let me introduce Steve Justice, our Chief Operations Officer and head of our Aerospace Division.

Steve Justice: Thanks Tom, and thanks everyone for dialing in today. Our overarching objective has been making efficient use of the limited resources we have in advancing both our science and aerospace divisions. In the science division, we have made some real progress collecting and recording new and military/civilian encounters of UAPs. I will tell you, these are really compelling witness statements.

We have also accomplished standup of the A.D.A.M. Research Project to analyze and advance our understanding of the collected exotic materials. Two of the specific tests we are performing on the materials are x-ray fluorescence where we look for unusual element presence and unusual alloys or combination of metals. This is as well as isotope testing where we are looking for unusual versions of element atomic structures that indicate terrestrial or non-terrestrial origins. While the x-ray fluorescence test is relatively quick-turn, the isotope testing is really expensive and time-consuming. It requires really sophisticated equipment and test procedures.

As part of the analysis effort, we issued a materials analysis sub-contract. We have data collection and analysis both internal to To the Stars Academy and at an independent laboratory.

In our aerospace division, we have completed tail business plans for multiple projects and business scenarios. For example, we have issued a contract to develop tail plans for the Beamed Energy Launch System that has the objective of launching cube sets into orbit at about 10% of the cost of current launch methods.

We are also continuing our discussions with multiple offices in the Department of Defense regarding collaboration on all of our programs. We recognize this is a relatively slow process, but we are optimistic given the increase in requests for briefings that we have seen lately. We have made a lot of progress despite our limited resources, and we look forward to just tremendously expanding our work in 2019. Thank you, Tom.

Tom DeLonge:

Thanks Steve. Next let me introduce myself to give an update on the entertainment division – To the Stars Media. We attack our entertainment projects on parallel tracks – content releases and media development. The content releases are what you see on our website, ToTheStars.media, and it is the products that we sell the consumers. Our anticipated releases for 2019 are the children’s book that you may have seen, *Who Here Knows Who Took My Clothes?* It is coming with an animation and music by my band, Angels and Airwaves. *Cathedrals of Glass* is book two in the fiction series called *Valkyris Awakens*. *Sekret Machines*, non-fiction series, *Gods, Man, and War*. It will be the second book, *Man*. There will also be new music and a US tour coming by Angels and Airwaves.

Media development is where we take either the existing or as yet unpublished content and look to expand to other platforms like television and film. “In development” is an entertainment industry term that we use a lot that is meant to cover the many milestones that it takes to take a project from concept to the release. It is from hiring a screenwriter, to meeting with production partners, and securing financing. We have projects in all stages of development. The media development efforts closest to fruition are the *Strange Times* television series that has officially been put into development by major television network, TBS. *Variety* announced that this past week. The *Poet Anderson* feature film we

have now attached a screenwriter. *Monsters of California* feature film, which will be this spring, is where we aim. I was securing the financing for that. For the *Sekret Machines* non-fiction television series I will be meeting with buyers. A *Sekret Machines* feature film first draft of a screen play is complete. I am also pleased to disclose that we are nearing the end of production on our first season of a docuseries with a major television network. We cannot divulge the details yet, but our team is very excited about what we have accomplished.

The entertainment division plays a crucial role in To the Stars Academy. It is not only for commercial purposes or because it is a powerful tool that inspires wonder and curiosity about the next generation science and technology concepts we explore in the other divisions. It is because it brings people together across social and educational lines. It increases our reach to an ever-expanding audience in a diverse cross-section of society. More people who will be interested in our Community of Interest need to learn about our mission and play their own role in spreading the word. This is because we know that true progress in the area of the phenomenon and research requires global participation. I am dedicated to the Company above every other pursuit that I have because I truly believe To the Stars Academy can make an impact on society and spread the spirit of curiosity and unity.

Jim Semivan: Thank you, Tom, Louis, and Steve for providing those updates. We will now answer a few questions from the stockholders. The first question is please explain stock-based compensation and why it is at \$37 million deficit. Louis, I would like you to answer this one.

Louis Tommasino: Thank you, Jim. It would be my pleasure to answer that question. Stock-based compensation is when stock options are part of a person's compensation for their work on behalf of the Company. In our case, that is certain officers and advisory board members. The value of these stock options is a non-cash transaction recorded on our books based on the per share amount we have received from the public for selling our shares at \$5 a share. This per share amount is then multiplied by the number of shares a stock option holder has vested. It was \$37 million in our last filing but will go up as more stock options are vested. Under generally accepted accounting principles, or "GAAP" rules, the Company is required to record this transaction in our financial statements even though we do not owe it to anyone. It just reflects the fact that we have been paying our people like many startups and development stage companies do, in stock as opposed to paying them in dollars. I hope that answers the question.

Jim Semivan: Thank you, Louis. The second question is when can we expect updates on the Company's initiatives like materials, new videos, and other developments? Steve, I would like you to answer this one.

Steve Justice: Sure Jim. As I have said in the past, we are committed to responsible disclosure of information. The only real answer I can give at this time, as unsatisfying as it is, is we will release information when the time is right. We are in the very first

steps of the scientific process. It is the collecting and analyzing of data. I have to tell you the process is really time-consuming and costly. In some cases, we are using independent labs where we must fit into their existing work load. In addition, with the limited resources, we have to prioritize exactly what we do work on and what we do not. We just do not have enough funding to do everything we want to do.

As we collect results, we have to consider several factors. Do we have the right to release information? Some of our agreements constrain our ability to release data. Do we have enough context to make disclosure informative and not misleading? Has the information been fully vetted to reduce unintended consequences of release? We cannot afford to release incomplete information because that can be misleading. Will releasing the information harm an actual or potential beneficial relationship? We are working with several groups right now, and we have to be sensitive to their needs and constraints. It is not just ours. Unfortunately, because of these constraints and uncertainties, we cannot commit to a release schedule. Know that we want to release products that are substantiated by fact and not by speculation. We are committed to transparency, but we have to balance our goals with context of both the short and long-term interest of the Company.

Jim Semivan: Thank you, Steve. The final question is for Tom. Tom, what keeps you awake at night?

Tom DeLonge: That is a great question. I have had some big ideas in my 20 years as an entertainer and entrepreneur. I am not sure any of them can compare to what we are trying to accomplish at To the Stars Academy. What we are studying carries so much stigma while also having such high expectations that I really feel the impact of the barriers to success. Yet, the To the Stars Academy team seems unfazed and that inspires me. I just know we have the rare opportunity to achieve something uniquely impactful, and I am so fortunate to have our shareholders' support. I thank all of you on the phone today. I know the team thanks you as well. Without your support, we would not be having the government discussion. Those are real discussions. We have been having a lot of them both in the US and international. We would not be collecting the encounter statements from highly credible military and civilian witnesses. We would not be loaned exotic materials that possibly are not even from here for analysis. We would not have the emerging media deals that are coming.

We have more programs and activities than we have the resources for. That is only for now though. We expect that to change. Know that you have put To the Stars Academy in a position to grow. That was the whole goal of last year. The team and I are working tirelessly to make it all happen. As you heard me say, the chances of success are such a controversial topic. It is about the same as a kid with a guitar becoming a rock star, but that is exactly what happens for me. I am going to do everything in my power to find answers to questions most people do not even want to ask.

We have many great people coming together to make this happen. They are investors, industry partners, customers, and now a very large growing portion of the public. Both you and I want things to happen faster. As the last part to answer the question, mostly I guess I counsel myself to be patient. I know that setting our destination for the stars means also being willing to endure the outbound journey. I know this journey leads to a destination that is great. I can hardly wait to get there.

Jim Semivan: Thank you, Tom. This concludes the questions. Thank you again to all the stockholders who submitted the questions. We regret we cannot answer them all given the time constraints. I encourage you to review our SEC filings with the links on our websites, which has the answers to many of the questions asked.

Tom DeLonge: Thanks Jim for moderating the meeting. I would really like to express my sincere appreciation to all of you for submitting questions, and those of you attending the meeting. This is as well as those of you who submitted proxies but were not able to be here today. Happy holidays to you and all your families. We look forward to speaking to you again.