

PRESS RELEASE

Sweet Legal Dept.

To: ALL MEDIA

From: Sweet Entertainment Group

Date: 5/12/2006

Re: Steve Sweet Prosecution

Sweet Entertainment Group, Sweet Productions Inc. and Steve Sweet, will not be going to trial next month in Vancouver, British Columbia on charges of distributing films over the Internet in contravention of the British Columbia Motion Picture Act.

The British Columbia Film Classification Office (BC FCO) had taken the position that SEG fell under its purview and therefore had to have a license to distribute content over the Internet, and, in addition, to submit any content to the Commission for its review, rating and censorship. SEG balked at that idea and took the position it did not have to do so.

No doubt smarting from the acquittal of Mr. Sweet and SEG on obscenity charges, on June 16, 2004 the BC FCO decided to launch its own raid on Sweet's studios. Assisted by the Vancouver Police Department FCO Inspectors seized computer discs and other corporate materials and then charged SEG, and Steve Sweet personally, for breaches of the Motion Picture Act; specifically for carrying on the business of an adult film retailer and distributor without being licensed to do so.

The Crown abandoned charges against Steve Sweet of obstructing a Film Classification Officer last month. Today Crown Counsel directed a stay of proceedings against all SEG corporate defendants and Mr. Sweet personally, bringing this latest prosecution to an end.

SEG would like to once again thank its legal counsel, Paul G. Kent-Snowsell, for the tremendous job he did in defending these charges and bring the case to a successful conclusion.

Max Sweet
Webmaster
Sweet Entertainment Group of Companies