

7-19-03



Dear SatCom Shareholders,

**It has been quite some time since I last updated you on our company. I keep hoping that all our efforts to fund the company's projects would finally happen and we would be rolling up our sleeves and getting on with building the SatCom Librarian System. The bad news is that is not the case up and to this point.**

**The good news is however that we have a number of funding groups that are still working on securing the funding and I am still working to do everything in my power to deliver the dream and the promise. In short I will not give up on something I believe so passionately in. It has been a long hard battle and I won't sugar coat the reality that we have a long ways to go, but I am committed to getting it done. I won't give up, so please don't give up either. At this point in time we have nothing to lose and everything to gain by forging ahead and keeping focused on the goal and not the problems.**

**Many of you, especially those of you that are family and close friends, have been with SatCom from its birth. It has been a testament to your faith in me and the enduring love and support over these past few years. I have gained strength and resolve to show all of you that this trust has been well placed.**

**We are still working on the SatCom project on a daily bases and have kept up with the rapidly moving and changing dynamics in the field of telecommunications. We see the entire focus and momentum of telecommunications moving toward the SatCom vision. But they have not yet arrived to where our clear vision was years ago. Therefore we must continue the quest and not be deterred by the fact that many of the pieces of the SatCom puzzle are emerging all around us. The reality is there are a lot of the pieces but the puzzle remains to be fully formed and completed.**

**As I write this update we have a number of positive irons in the fire. I have sent out, as early as yesterday, another funding package to a company in New York called General Capital Corporation who has**

**shown a strong interest in our company. They will be investing their time and energy in securing the funding the company needs to move our projects forward.**

**On another front we are, and have been, working with Visions International's Raymond Moore, and they have remained committed to funding the projects. As reported in previous updates, we continue to work with Asset Investment Trust and they have shown their commitment to SatCom by virtue of a signed contract committing their energy and resources in securing a \$50M funding package for our company. While they have yet to be successful they are none-the-less continuing their efforts on our behalf. I for one wish them every success. They continue to keep in touch on a regular basis on their progress. Our last update of July 13 indicated they felt very positive that funding from their sources is imminent. We applaud their efforts and commitment to securing the needed funding and will continue to do everything in our power to assist their efforts.**

**I will keep you all advised as to our progress and ask that all of you keep a positive and open mind that our long hard struggle will end in the accomplishment of the job at hand.**

**Once again I would like to thank all of you for your continued support in our efforts.**

**My Warmest Regards,**

**Lloyd D. Paine  
President  
SatCom, Inc.**