

TIX CORPORATION
12711 Ventura Blvd., Suite 340
Studio City, California 91604

PROTECT YOUR INVESTMENT IN TIX AND MAKE YOUR VOTE COUNT

VOTE THE WHITE PROXY CARD FOR THE TIX BOARD OF DIRECTORS TODAY

August 26, 2019

Dear Stockholder:

You may have recently received proxy solicitation materials from a dissident stockholder who is waging an ill-conceived and amateur activist campaign against Tix Corporation (“Tix”), namely, Haren Bhakta acting through his fund, HSB Capital Partners. You should be aware that HSB’s proxy materials are rife with misleading statements, material omissions and factual inaccuracies, some of which the Company will clarify and correct in this letter.

You should also be aware that Tix previously notified HSB that its nomination of Haren Bhakta, Palak Bhakta, John Buckingham Michael Fisk, John King and Jeremy Weiner is not in compliance with Tix’s bylaws. Tix provided HSB every opportunity to correct the nomination notice, which it has not done. HSB refused to comply with **your Company’s rules** and instead issued its own proxy statement, which is confusing and misleading to stockholders. As a result, proxies or votes with respect to the HSB nominees may not be counted at the upcoming annual meeting. Tix’s eight director-nominees are far better qualified to oversee the execution of the Company’s strategy and represent our stockholders.

You may wonder why HSB is taking these actions. Mr. Bhakta’s obvious ambition is to become an activist shareholder. He simply identified Tix as an outstanding target to be his first conquest. Why? Because ***Tix is a small company that is profitable; has no debt; and has significant cash reserves.*** He doesn’t care about you, Tix, show producers, or Tix employees. Over the past two years, Tix has had to defend **you** against his potential damage to **your share value** at a significant cost.

The attempt by this amateur activist to replace a majority of the Board of Directors of Tix and members of the management team who are critical to the success of Tix is not only misguided, it is baffling and negligent given the HSB nominees’ complete lack of relevant experience or strategy for promoting any value creation for Tix. This attempt is, however, consistent with Bhakta’s pattern of reckless behavior towards Tix over the past two-plus years. During this time, HSB and Bhakta have consistently demonstrated their indifference to you. Do not be fooled by HSB and Bhakta. They are interested in drawing attention to their fledgling activist operation, and not the value of your investment in Tix.

MAKE YOUR VOTE COUNT

VOTE FOR THE TIX NOMINEES ON THE WHITE PROXY CARD TODAY

DO NOT BE MISLED BY HSB’S AND HAREN BHAKTA’S FALSE CLAIMS

- **HSB HAS NOT PROPOSED SPECIFIC ACTIONABLE IDEAS**

The only specific idea ever put forth by HSB was to move Tix corporate headquarters to Las Vegas, something that was analyzed by Tix to show negligible, if any, cost savings. HSB's stated plan to launch a "comprehensive strategic review" process is a damning admission that its nominees have no business experience or acumen, no actionable ideas, are unprepared to the lead Tix, and are unwilling to even attempt to develop a coherent plan unless they can use your time and money to do so **after** they are elected to our Board. **THEY WANT TO TAKE OVER YOUR COMPANY, BUT HAVE NO IDEA WHAT THEY WOULD DO WITH IT!**

- **BHAKTA HAS NOT MEANINGFULLY ENGAGED WITH TIX**

Bhakta's conduct over the past two-plus years demonstrates his self-serving and misguided agenda. Specific examples include: misrepresenting himself at Tix's offices and booths; harassing Tix employees; filming Tix offices from the street; and sending Tix improper communications. These actions cannot be considered meaningful or professional engagement. Incredibly, he also previously threatened and purported to intentionally trigger the Company's stockholder rights plan to the detriment of our at-large stockholder base and even wrote that he "dared" Tix to enforce the plan against him. Tix was compelled to protect Bhakta from himself by publicly educating him about the effects of "triggering the pill" which is so devastating that it has only occurred once in the history of United States securities. Responding to the foregoing actions by Bhakta has been very costly and time consuming for Tix and has negatively impacted the value of your investment.

- **HSB PROVIDED FALSE INFORMATION REGARDING COMPENSATION**

HSB continues to mislead shareholders about Tix executive compensation. In fact, executive salaries are less than half the amount he states and have decreased significantly as Tix's revenues decreased. Tix executives voluntarily elected to forgo all bonuses and salary increases and voluntarily reduced their salaries significantly.

- **HSB MISLEADS INVESTORS BY TOUTING VEGAS.COM**

HSB's claims regarding Remark Holdings Inc. (the former parent of Vegas.com) are ill informed. HSB suggests that Tix's ticket sale business should be modeled after the Remark/Vegas.com business model which, per its own disclosures, has many consecutive years of extreme cash losses and defaulted on its debt to the point that Remark's senior lenders recently took control of Vegas.com. HSB's total lack of business acumen is evidenced by the fact that it would suggest changing Tix from a profitable business to an unsustainable, money-losing model which could eliminate all equity holder value.

- **TIX HAS NOT EXPANDED THE SIZE OF THE BOARD**

The size of the Board has been fixed at eight directors since 2011, and HSB's current claim about a so-called "increase" to that size is both wrong and misleading. Bhakta previously confirmed that he was well aware of the situation when previously requesting that he and another individual be included as the sixth and seventh directors on the Board. That fact is absent from HSB's proxy materials, however, as is the fact that HSB has never submitted any proposal to decrease the size of the Board from eight directors. HSB's current objection to that size lacks merit or credibility, serving as yet another example of Bhakta acting in whatever way suits his self-interest at the moment.

- **HSB HAS NOT PROPERLY SUBMITTED DIRECTOR NOMINATIONS**

HSB's and Bhakta's failure to understand director nominations is unfortunately consistent with their past failures to grasp even the most basic elements of corporate governance and process (as previously noted). Their lack of sophistication about such fundamental matters contradicts any claim they might now make about their ability to properly manage Tix's corporate and business affairs, yet they are now asking you to leave Tix in their unqualified hands. In yet another example of how little regard HSB and Haren Bhakta have for the value of **your** investment, HSB suggests that if it does not get its way it may bring costly but meritless litigation against Tix.

- **TIX MANAGEMENT AND BOARD ARE IN TOTAL ALIGNMENT WITH SHAREHOLDERS**
 - a. Tix management voluntarily made significant reductions to their own executive compensation
 - b. Tix management developed dramatic and effective new revenue generating projects coupled with significant cost-saving measures that returned Tix to profitability despite a downturn in its ticket sale business
 - c. A meaningful percentage of the Company (approximately 30% of the outstanding shares), is owned by management, directors and officers, confirming that management's interests are in alignment with all other stockholders
 - d. Tix directly benefited stockholders by repurchasing approximately half of its outstanding shares over the past ten years
 - e. Tix directly benefited stockholders by distributing available profits of approximately \$8 million from 2015 to 2017, via an extremely generous dividend program
 - f. Tix directly benefited stockholders by not issuing any options to its employees or directors in the past several years and have no options or warrants whose strike prices aren't at least more than double the current share price
- **REPLACING THE BOARD AND MANAGEMENT MAY HAVE NEGATIVE CONSEQUENCES FOR THE COMPANY'S BUSINESS**

We believe that replacing the members of the Board of Directors and management may cause Tix to face significant losses of ticket supplies; increased hotel deposit requirements; lease termination and renewal issues; increased employee turnover, including the loss of key members of management who have indicated they will resign if the leadership of the Company is replaced; and trigger severance obligations. The occurrence of any of the foregoing will significantly impact the Company's cash position, and reverse our current positive momentum and profitability. HSB fails to understand the significant relationships that our CEO, Mitch Francis and his management team have built over the past 20+ years with Las Vegas landlords and virtually all hotels and show producers. These relationships are integral to our success in leasing and maintaining the best locations on the Las Vegas Strip and obtaining our vast supply of show tickets. It may seem counter intuitive, but hotels and show producers are extremely selective about who they allow to sell their tickets and closely control the marketing of their tickets. **We believe different management of our Las Vegas ticket operations will not be able to obtain most of the important ticket inventory from producers and hotels necessary for the Company to survive.**

Further, to our knowledge, Bhakta is not employed; he instead runs his "fund" (HSB) from his family's motel, with their capital funding, and this is his only investment project. As HSB's whole campaign has been driven by Bhakta's desire to become an activist investor and HSB has not disclosed the identity of any replacements for Tix management, it is reasonable to suspect that Bhakta and his handpicked nominees plan to appoint Bhakta as interim CEO of Tix. We believe HSB is not disclosing this fact to you because it cannot find any qualified replacements for Tix management and knows Bhakta is severely underqualified for this position.

Finally, Bhakta and his nominees have no expertise or background in any facet of Tix's business. They have neither retail, nor ticketing, nor operational experience, nor do they have any knowledge of the Las Vegas entertainment or real estate markets and related contacts.

- **TIX HAS TAKEN SIGNIFICANT STEPS TO IMPROVE PERFORMANCE AND OUTLOOK**
TIX IS PROFITABLE, HAS NO DEBT AND MAINTAINS STRONG CASH RESERVES.

Tix's revenue, adjusted EBITDA, operating income, net income, cash flow and online ticket sales have all significantly improved over the prior year. **Tix has generated positive adjusted EBITDA for eleven of the last twelve months and the value of our stock has increased approximately 200% this calendar year, since reporting the return of the MGM Cirque du Soleil shows and profitable operations.** We anticipate further sequential quarterly improvement in operating income and cash flows throughout the remainder of this year. We have the only third-party retail ticket booths on the Las Vegas Strip and we have formed an exciting new partnership with Reservations Gateway in creating TixRez, which will provide online booking of activities throughout the world, driven by proprietary software.

Furthermore, we have filled the three vacancies on the Board with three highly qualified individuals with extensive knowledge and experience in entertainment, ticketing, marketing, travel and the Las Vegas market. These individuals include the most prolific Las Vegas show producer, David Saxe and the former VP of Marketing for Cirque du Soliel, Jordan Fiksenbaum. The CEO, of our TixRez partner, Mesfin Eyob is our third nominee, who has extensive expertise and experience in travel booking software and international travel.

OUR BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF ALL OF TIX'S DIRECTOR NOMINEES.

Your vote is very important - make sure your voice is heard and your vote is counted by voting "FOR" the election of all Tix nominees on the WHITE proxy card as soon as possible. We encourage you to contact us with any questions or concerns you may have. If you have any questions or need assistance in voting your shares, please contact our proxy solicitor, Harkins Kovler, LLC, toll-free at (844) 218-8384 or at (212) 468-5380 or by email at TIXC@harkinskovler.com. On behalf of the Board of Directors and management at the Company, we would like to thank you for your continued support and confidence.

Sincerely,

/s/ Mitch Francis

Mitch Francis

President, CEO & Chairman

**PLEASE NOTE THAT ONLY YOUR LATEST DATED PROXY WILL BE COUNTED.
IT WILL REVOKE ANY PREVIOUS PROXY SUBMITTED.
DO NOT VOTE ON HSB/HAREN BHAKTA'S BLUE DISSIDENT PROXY CARD, EVEN AS A SIGN
OF PROTEST AGAINST HIS NOMINEES.
PLEASE SIMPLY DISCARD THE BLUE PROXY CARD**