



Star Entertainment Group, Inc.
A NEVADA CORPORATION

CUSIP: 85511R103 **CIK:** 0001083491 **REPORT:** CURRENT **DATE:** AUGUST 1, 2012 **MARKET TIER:** PINK

2. TERMINATION OF A MATERIAL DEFINITIVE AGREEMENT

(a) Termination of Tranzistor Systems, Inc. Acquisition Agreement.

On August 1, 2012, the Acquisition Agreement between Star Entertainment Group, Inc. (“Star”) and Media Pal, Inc. dba Tranzistor Systems, Inc. (“Tranzistor”) dated June 6, 2012 (the “Tranzistor Agreement”) was terminated pursuant to an unwind provision.

There are no known material relationships between Star and its affiliates and any of the parties, other than in respect of the Tranzistor Agreement.

Pursuant to the Tranzistor Agreement, Star agreed to purchase all of the outstanding capital stock, and convertible securities of Tranzistor (the “Shares”) in exchange for: (a) 25,000,000 shares of Star’s convertible preferred stock, which represents approximately 250% of the fully diluted capital stock of Star, at an agreed value for the underlying common stock of \$.40 per share; (b) Star’s investment of up to \$2 Million in working capital in cash into Tranzistor for the first year of operations in monthly tranches, starting with \$25,000 within thirty (30) days after the effective date of the Tranzistor Agreement and a minimum of \$175,000 at the end of the last day of each month thereafter with the last payment being \$50,000, with all payments treated as contributed capital; (c) all cash generated by Tranzistor in excess of operating costs to be reinvested into Tranzistor; provided, however, should net income exceed 10% percent of operating costs for any given month, Star shall be entitled to receive 10% of such net income; (d) an option, in Tranzistor’s sole discretion, to merge with and into Star or spin-off and become a stand-alone entity, subject to Star maintaining a 10% interest in Star or Tranzistor, depending on the option selected; (e) a mutually acceptable anti-dilution provision; (f) Star and Tranzistor certifying that none of the parties, or any person or party affiliated in any manner with the parties, is a “Bad Actor” as such is described in Rule 262 of the General Rules and Regulations promulgated under the Securities Act of 1933, as amended (the “Act”) and the proposed rule described in Release No. 33-9211; File No. S7-21-11, filed with the Securities and Exchange Commission, and that no Bad Actors will become involved with knowledge of any of the parties in the future; (g) Tranzistor, in its discretion, is entitled to appoint two members to Star’s Board of Directors within sixty (60) days after the effective date of the Tranzistor Agreement; and (h) an unwind provision if any of the foregoing conditions are not satisfied by Star.

The Tranzistor Agreement was unwound by Tranzistor primarily due to Star not issuing the 25,000,000 share of Star’s convertible preferred stock to the Tranzistor stockholders and not providing funding to Tranzistor.

The full text of the termination letter is attached as Exhibit 1 and incorporated in its entirety herein by this reference.

13. DEPARTURE OF DIRECTOR AND PRINCIPAL OFFICER

(a) Resignation of Director and Principal Officer

On August 1, 2012, L. Joshua Eikov, resigned as Star's Chief Executive Officer and as a member of the Board of Directors, due to not being able to obtain adequate information on Mike Clarkson, a director of Star, for the purpose of disclosing such information to the public, the shareholder actions of Romeo Prescott, and pursuant to the unwind provision in the Tranzistor Agreement described in Item 2(a) above.

The full text of the resignation is attached as Exhibit 2 and incorporated in its entirety herein by this reference.

SIGNATURE

Pursuant to the requirements of the OTC Markets Group, the Issuer has duly caused this Current Report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 1, 2012

A handwritten signature in black ink, appearing to read "L. Joshua Eikov", with a long, sweeping horizontal stroke extending to the right.

L. Joshua Eikov
Chief Executive Officer

Exhibit 1

August 1, 2012

Board of Directors
Star Entertainment Group, Inc.

Gentlemen:

Please accept this as Tranzistor Systems, Inc.'s ("Tranzistor") written memorialization of the ten (10) days' prior notice of unwind as per that certain Acquisition Agreement between Tranzistor and Star Entertainment Group, Inc. ("Star") dated June 6, 2012 (the "Tranzistor Agreement").

We are unwinding the transaction for many reasons, including but not limited to, the inability of Star to fully comply with Sections 6 (i)(ii)(iii) of the Tranzistor Agreement, effective as of the date of this letter.

No use of the Tranzistor name shall be further allowed by Star from the date of this letter other than for notifying Star's stakeholders, including Star's shareholders, and the OTC Markets Group, of the unwinding of the Tranzistor Agreement.

The information contained in this letter does not absolve Star of any rights and available relief that Tranzistor has against Star and its stakeholders and shall not be construed as a waiver of any of Tranzistor's rights and remedies at law or in equity, and Tranzistor hereby reserves all such rights without prejudice.

Regards,

/s/ L. Joshua Eikov

Josh Eikov,
President
Tranzistor Systems, Inc.

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Exhibit 2

August 1, 2012

Greg Smith
Mike Clarkson
Star Entertainment Group, Inc.

and

Romeo Prescott

Gentlemen:

Based upon several factors inclusive of the non-performance of Star Entertainment Group, Inc. ("Star") with regard to satisfying all of the terms and conditions of that certain Acquisition Agreement between Tranzistor Systems, Inc. ("Tranzistor") and Star dated June 6, 2012 (the "Tranzistor Agreement"), inability to obtain adequate information on Mike Clarkson to provide same to the public, and the shareholder actions of Romeo Prescott, I hereby tender my resignation from the Board of Directors and as Chief Executive Officer of Star, effective at the end of today.

In accordance with my fiduciary duty as Chief Executive Officer of Star, and to protect the interests of Star's public shareholders, a copy of this resignation and the unwinding letter for the Tranzistor Agreement of even date, will be filed with the OTC Market Group notifying the public of these actions.

You are hereby advised that Tranzistor and its stakeholders, as well as myself personally, have each been irreparably harmed by each of your actions. This resignation in no way absolves any rights and available relief that Tranzistor and its stakeholders, as well as myself personally, may singularly or collectively have against each of you and shall not be construed as a waiver of any of our rights and remedies at law or in equity, and we hereby reserve all such rights without prejudice.

Very truly yours,

/s/ L. Joshua Eikov

L. Joshua Eikov
(570) 517-1613