

Steve Jenkins and Derek Walter
The Esther Effect Farm Animal Sanctuary
162 Guelph St. #420 Georgetown, Ont. Canada L7G5X7

May 1st, 2014

Valued Supporter,

We are very pleased to enclose our business plan for "The Esther Effect Farm Animal Sanctuary". Inside, you'll find a wealth of information about our business, a thorough assessment of opportunities in the marketplace, and a detailed plan for seizing them. We look forward to the possibility of making "the Esther effect Farm Animal Sanctuary" not only a success in the coming months and years, but a model for new sanctuaries that come after us..

We are eager to hear your comments and answer any questions you may have. You can reach us via our accountant Paul Latour at [\(289\)924-0770](tel:2899240770)

Thank you for your time and attention.

Sincerely,

Steve Jenkins and Derek Walter
the Esther effect Farm Animal Sanctuary

operating as
Esther the Wonder Pig

May 6, 2014
Executive Summary

Steve Jenkins and Derek Walter
The Esther Effect Farm Animal Sanctuary
Esther the Wonder Pig

Business Description:
43 acre rural farm animal sanctuary, with community garden and "farm market".

Business Overview

Legal name of business:
The Esther Effect Farm Animal Sanctuary

Trade name of business:
Esther the Wonder Pig

Business address:
162 Guelph St. #420 Georgetown, Ont. Canada L7G5X7

E-mail address:
esther@estherthewonderpig.com

Date business established:
2014/05

Nature of business:
Animal Sanctuary

Bank and branch location used for business matters:
Toronto Dominion Bank, Georgetown.

Bank and branch location used for personal matters:
avail. upon request.

Personal Goals

Our goal is to provide a unique and accessible environment for guests to visit and interact with a diverse assortment of animals with a focus on commercial pigs. Our lives changed forever when a pet "mini pig" grew to become over 450lbs. We learned a lot about ourselves and have since decided to dedicate our lives to educating others about the amazing qualities of these misunderstood and often overlooked animals. We plan to use our online social networking platforms to spread awareness about Esther and her sanctuary, driving donations to our registered Charity "The Esther Effect Farm Animal Sanctuary" to fund daily operations on the farm. These revenues will be supplemented by guest entrance donations, special events, "farm market", and educational programs all of which will help ensure financial stability and security of the charity, the sanctuary, and the animals it protects.

Business Vision

We are committed to providing a unique and exciting location for people of all ages in a way that builds a sense of community and belonging, while promoting education and awareness of farmed animals and healthy living. We will also promote the highest level of standards for animal care and wellbeing. We will do this by providing spacious and clean pens, enrichment toys when appropriate, healthy food and fresh water, and access to regular veterinary care and treatment when required.

Business Objectives

Short-term Objectives:

Immediately upon taking possession of the farm we will begin the minor repairs that are required in the main barn so that we can safely begin to adopt and rescue large animals as early as December 2014. Fences will be inspected and secured where required beginning with the main paddock (Nov 2014) and a second paddock (March 2015) with the remaining 12-15 acres being left as-is for future expansion.

A large garden of approximately 1 acre will be made ready and divided into sections for use as a community garden with planting to begin in Spring of 2015. This space will also serve as an outdoor skating rink in winter months to ensure productivity during colder months. Excess produce from the garden will be sold at farmers markets and on-site "farm market" as a source of income. We will also begin the planting of a fruit orchard in Spring of 2015 for use as animal feed and as produce for the market. Refreshments and "Esther Approved" baked goods will be available at the market for purchase as a revenue source.

Walking trails will be cleaned through-out the property for added guest interest and hiking during warmer seasons, and cross country skiing during colder months. The trail project will be ongoing beginning immediately with completion of a "main trail" by June 2015.

Additional parking spaces will be marked on already suitable ground with little or no alterations required for the first few years and/or until cash permits a gravel parking lot.

We will also be required to rent on-site guest washroom facilities pending construction of a visitors centre during years 1-3.

Long-term Objectives:

Following the first full year on the farm we will begin to increase capacity for smaller animals with the construction of shelters and small outbuildings during the Fall of 2015-Spring 2016. This will increase visitor appeal along with our ability to increase our effectiveness and ability to rescue animals in need, and providing education to the visitors we attract.

We will complete fence work where required for the above mentioned small animal pens, and construct coops for fowl. By fall of 2015 we hope to break ground on our visitors centre with meeting/reception space, all season market, and indoor washroom facilities. We will be able to use these facilities for educational programs year round, and day camp programs during summer months.

We will also begin construction of guest cabins throughout the property in particularly scenic or private locations. A total of 7 cabins will be built, with the first 3 slated for construction by the end of 2017. These cabins will be made available to sanctuary supporters, and the general public for a nightly fee.

Product: What are we going to "sell"?

Description:

Our primary "product" is education. We will provide an opportunity for people to interact with a variety of animals many "city" residents rarely have access to. Our secondary products include Esther merchandise sold via her online social medias sites and www.estherthewonderpig.com, products from corporate supporters sold in our farm market, fresh fruit and produce from on-site garden and orchard. We will offer educational programs for schools and large groups along with party packages and even private corporate functions and team building "work days".

Competitive Advantage:

Our competitive advantage is Esther and the incredible on-line following she has developed. Her message and how it has been delivered is opening minds and changing lives on a daily basis. She has become a regular source of smiles and inspiration for over 150,000 people, with a total weekly reach into the millions on various social media websites as indicated through page metrics available on each website. This incredible presence has led to licensing opportunities, potential book deals, television opportunities, and countless requests for public speaking engagements.

We will take this platform and direct the energy it creates back to the sanctuary holding special events, and allowing people to interact with Esther and her sanctuary family. All of this

combined with the amazing relationships we have built with some of the world's largest animal rights groups and celebrities, provide us with an ability to generate buzz and get our message heard. That is hard to beat!

Finally, and potentially most importantly, we have a location that is minutes from one of the busiest highways in North America, Hywy401. We're less than 45 minutes from Toronto Pearson Airport making us incredibly accessible to the millions of potential guests living and visiting the Greater Toronto Area. This is a key detail because many farm sanctuaries are located in very rural locations making visibility to the public a real challenge. We have the competition beat with a prime location in Campbellville Ontario, home of Mohawk Raceway and Slots, at Guelph Line and Hywy401. After all, what good is an amazing property with an amazing story, if nobody can come to see you?

The Marketplace

Industry Factors and Trends:

Animal rights and overall awareness of where our food comes from is a topic that has become more and more mainstream every year. As people begin to question their diet choices they look for alternatives and ways they can help do better for our animals, our environment, and our personal health through sustainable food sources. Farm sanctuaries provide a place for people to learn and have personal experiences with animals they may never have the opportunity to meet elsewhere. People have a natural tendency to gravitate towards animals and we want to provide them with the chance to do just that. At the same time; as they begin to question choices and explore options to make changes, we need to be there able to help provide guidance, and show them what alternatives are available. We'll do this through our garden, orchards, farm market, and on site cooking classes.

Industry Outlook:

Both the animal rights sector, and the vegetarian/vegan sector of our target market are growing very quickly. "The vegetarian sector is one of the fastest-growing categories in food publishing," says Elizabeth Turner, Vegetarian Times' editor in chief. "It's a dedicated group of consumers that is growing daily." We plan to capitalize on this not only with our animals, but with our garden and on site cooking classes. Everybody including vegetarians and us vegans love delicious food prepared simply. This combined with the ever increasing number of new documentaries (Blackfish, Speciesism, Earthlings, Vegucated, and Ghosts in Our Machine) public protests, and undercover investigations that receive international press, we can see there is a renewed hunger for accountability and answers from the general public. The animal rights and plant based diet sectors are on the rise, and Esther's near immediate jump to world wide popularity, are a clear indication that people are ready to see farmed animals in a new way.

Market Size:

Although statistics for Canada specifically on this topic are tough to come by, we tend to see similar trends north of the border when compared to our American neighbours. With that in

mind the numbers may be off, but the percentages will be very comparable. According to the "Vegetarianism in America" study, published by Vegetarian Times (vegetariantimes.com), Statistics show that 3.2 percent of U.S. adults, or 7.3 million people, follow a vegetarian-based diet. Approximately 0.5 percent, or 1 million, of those are vegans, who consume no animal products at all. In addition, 10 percent of U.S., adults, or 22.8 million people, say they largely follow a vegetarian-inclined diet. A 2008 study also indicates that of the non-vegetarians surveyed 5.2 percent, or 11.9 million people, are "definitely interested" in following a vegetarian-based diet in the future.

This along with Esther's undeniable presence online shows that the public has a love for their animals, and a willingness to open their minds and consider alternatives to their current lifestyle. Combined with the knowledge that "health and wellness" are consistently among the hottest topics right now; all signs indicate our target market growing quickly and steadily for years to come. With diabetes also on the uprise in North America, the plant based diet is much more amenable to maintaining a healthy sugar level and potentially alleviating the need for medical intervention which allows us to broaden our target market even further.

Competitors

Competitive Environment:

There are different sanctuaries and businesses in the area however; most are further from the city and/or don't offer the same unique combination of services and attractions that we would. Many of them offer beautiful settings, well maintained properties, and plenty of animals however; few if any offer alternate services and activities in addition to typical farm animal activities. It's this unique combination that will make us stand out in the marketplace.

A few examples of other local businesses with similar operations to our own include:

- i) Mountsberg Conservation Area: A regionally run park with walking trails, nature centre and sanctuary for rescued and injured Birds of Prey. They also run a very successful maple syrup demonstration and store in early spring, and have 16km of cross country ski trails in winter months. They also have a kids "play barn" with some small animals. This facility is located 5.1km from our Sanctuary. www.conservationhalton.ca/mountsberg
- ii) Springridge Farm: A privately owned and operated family business and strawberry farm. They feature tractor drawn wagon rides, kids play park and numerous party and educational programs ranging from birthdays to school field trips. Current estimates show an annual income of approximately \$1,300,000/year. Their facility is located just 11.5km from our Sanctuary. www.springridgefarm.com
- iii) Chudleighs Apple Farm: A third generation family run farm located just north of Milton. They have approximately 100 acres of apple trees (28,000 trees) and open only from July-Nov. They have both a large on-site "pick your own" business, along with numerous educational and special event programs and substantial on site retail store, and sales of Pies and various baked goods in major retail grocery stores. They offer on site wagon rides, kids play zone and small "petting zoo" style animal pens. Their revenue is in the multi million dollars per year and they are located 16km from our Sanctuary. www.chudleighs.com

Competitive Opportunities & Challenges:

The addition of unique activities along with a larger variety and overall number of animals, combined with a very environmentally diverse setting on our farm, is how we can really set ourselves apart when compared to other properties. We plan to create a place for events, picnics, hiking, gardening, even shopping; all aimed to help make the sanctuary financially sustainable even if the kind donations were to stop tomorrow. This will allow us to run without the financial restraints faced by many similar facilities and to proceed with our expansion plans further increasing the profitability and financial security of our sanctuary for years to come.

The area we have decided to open our sanctuary features also provides an exceptional opportunity for us to take advantage of a very popular family activity. We can easily see numerous farm style facilities, but no dedicated animal sanctuaries that focus on farmed animals. There are also no comparable facilities that offer overnight guest accommodations which will be yet another unique way to set us apart from our competition. This puts us in a prime position to fill a gap in the market covering an ever increasingly popular topic of animal welfare. We will be a unique facility in an area that has demonstrated a long standing, and high demand for outdoor, educational and environmental facilities like the one we plan to create.

Customers

Customer Segments:

We will have a number of different types of people visiting our property. We expect to see a number of people coming to see Esther herself. With her online popularity growing by the hundreds even thousands every day, we only anticipate the interest growing as she begins her new life and daily adventures on the sanctuary. We will also be targeting people interested in the animal rights movement, and of course the vegetarian, vegan and general "health and wellness" market.

As we've seen in our analysis of other local and comparable facilities, we are in an area with a very high demand for family friendly, cost effective activities they can do on a regular basis. We want to break in to this market by offering these families a change of scenery, and a change in activities and surroundings. An animal focused facility does not exist in our area yet, and will serve as a big draw for the tens of thousands of families living within a 30min drive of our property. We plan to work very closely with our local community in developing the community garden, event space, and picnic areas. Being a good neighbour and valuable member of the community will always be a top priority for us.

Our location puts us right on the boundary of four very large school boards including Halton, Peel, Wellington, Kitchener/Waterloo and Hamilton which represents over 400,000 students ranging in age from 5-17. We are also within easy reach of numerous colleges and universities including The University of Guelph with its world class Veterinary Medicine program. UofT, Brock, Sheridan College, Humber College, and Ryerson University. With available year round educational programs and activities we plan to aggressively seek a large market share of school

trips. Our primary focus will be the animals and "farm life" for the younger students, with an environmental and health focus for mature students.

The range of activities and programs we can offer is staggering. Not only because of the variety of animals we have, but the incredible diversity of the land which includes open meadows, hardwood bush, cedar forest, even rivers and wetlands make this a prime property. The educational and entertainment potential is astounding.

Target Customers:

We will attract our target audience with extensive online marketing through our social media platforms, partnerships with major animal welfare groups, and endorsements with various celebrity and political contacts that have taken a liking to the wonderful Esther the Wonder Pig.

We have also developed some amazing partnerships with fantastic companies that offer products we plan to make available in our "Farm Market" from cooking items/products, to bath and body lotions, our market will feature nothing but cruelty free, vegan products and the best produce and fruits from our very own gardens. The unique experience of picking produce from your own garden plot, combined with the incredible animals, beautiful surroundings, and plenty of activities to do while you're at the farm, will have kids and adults alike coming back time and again. Nevermind the special events and guest chefs, all designed to keep you entertained, and to show our amazing supporters how to best use their produce. It will be a sanctuary like no other, all aimed at showing our visitors the incredible qualities of the animal that changed our lives, and the natural beauty of the environment around them. It's going to be a paradise you'll never want to leave.

Sales & Marketing

Positioning:

Our sanctuary visitors will benefit from the sense of community and family that comes with literally building a sanctuary together. We will provide a place that specializes in showcasing the intelligence and sensitivity of pigs and farm animals in general while providing an escape from the hustle and bustle of daily life. Located just a short drive from the city we will be a sanctuary not only for animals but for those of us who just need to get away and relax. Spend time with the animals, take a walk in the stunning forest exploring beautiful rock formations, even dangle your feet in the spring fed stream that runs through the property. It is a true oasis within a short scenic drive from the chaos of the city.

We also have the opportunity to put Esther's online fame to good use when attracting farm visitors. We have a very unique type of experience with big pigs having spent every waking minute with Esther in our home for the last two years. This intimate knowledge will help us in training our new pigs using Esther as their mentor, to produce a clean barn with hard surface slip resistant floors and blankets for bedding as opposed to typical straw bedding used in most sanctuaries. We do not plan to house dozens of pigs, but the family we do have will be worked

with extensively to help us show the world the incredible intelligence of these animals. We want to help level the playing field between pigs and our common companion animals by showing them in a similar environment. We feel this is a key feature as it will really assist us in driving home our message in the subtle yet effective way we have proven to be so successful on-line, while also setting us apart from other facilities both in our area and abroad. People will see the pigs living very much like their dogs and cats at home which causes them to make the connection themselves. Before you know it, "The Esther Effect" has taken hold and the tiny seeds she plants begin to grow.

Pricing:

Access to the sanctuary will be based on a suggested donation of \$7.50 per adult \$3.00 per child, \$20 per family of two adults and two children. (under 5 no charge) and will include access to the farm and farm buildings, paddocks, picnic area, visitors centre, garden, orchard, and hiking trails during daylight hours.

Pricing for large groups, special events or educational programs will be arranged on a per event basis. Numerous options will be available from family picnics and corporate "work days", to educational programs and day camps. The nature of the property and surroundings lend themselves very well to numerous special event possibilities.

"Farm Market" items will be sold at acceptable market prices for the items in question, and will be based on the MSRP of the items if they are not sanctuary/Esther specific merchandise, or produce grown on site in our garden and/or orchard.

Winter activities will be based on per person access and include general property access for a suggested donation of \$5.00. Skating rink and/or ski trail access will be an additional fee that includes sanctuary access priced at \$7.50/per person, \$20.00/family, on a per day basis. This fee will not include the rental of, or access to any equipment, nor will it include access to the property after daylight hours. Lighting of the skating rink and ski trails would be something we may consider in the future.

We will offer annual membership's, animal sponsorships for our supporters that may not live close by or be able to visit. This will allow people to feel involved "from a distance" no matter where they live.

Another significant opportunity will be our ability to host exclusive private events where the entire sanctuary will be closed to the public. We will explore every option available when creating unique and exciting special events for our sanctuary members and supporters to attend. We may even consider private weddings or corporate events as part of future expansion plans and potential reception facilities.

Pricing for guest cabins is yet to be determined and will be based on location within the property, size of the cabin, and the features it includes. We plan to use sustainable products such as retrofitted shipping containers, or re-claimed and rebuilt log cabins. We will also offer preferred rates to sanctuary members and animal sponsors as a thank you for their ongoing support.

Promotion:

Once again we will refer to our incredible social network. With over 150,000 followers on various social media websites including Facebook, Twitter, Instagram and YouTube, we have immediate access to hundreds of thousands of people with just the click of a button. With exceptional engagement upwards of 40%, and an average weekly reach of approximately 1,700,000 people, our message spreads far and wide.....very quickly!

This social media network has enabled us to make some invaluable celebrity and corporate contacts that share our passion and vision for what this sanctuary will become. We have been able to build an audience, an "army" if you will, of fiercely loyal Esther supporters working just as hard to share our story as we are.

We have also been able to make some fantastic print media, and television media contacts from local and national news and magazine publishers. All of them are ready and willing to help us get the news out when we have something to say.

What began as a mini pig grew well beyond her literal 450lb weight, and became a full blown media powerhouse whose message reaches every corner of the globe. With a following that continues to expand across all platforms on a daily basis, Esther is establishing herself as an icon for the animal rights movement, and animal lovers alike.

Sales:

We will have multiple sources to rely on for sales. A major contributor is our on-line store at www.estherthewonderpig.com, where you can purchase various Esther related merchandise, and shop our corporate partners which presently include Petbox, V-dog, Botanicalz, and Daiya Cheese with new additions happening on a regular basis. These companies offer our supporters an opportunity to receive reduced prices or digital coupons for products, with a portion of sales being donated back to the sanctuary. Our on-line store also accepts cash donations which are processed via pay-pal and sent directly to the Charity.

We will also operate our on site "Farm Market" which will sell Esther related merchandise, products from our corporate supporters, and fresh produce and fruit from our on-site gardens and orchard. Additional sources of income from on-site activities include entrance donations, private and corporate donations, and revenue from group, private, and special events.

Business Operations

The Team:

We, Derek and Steve, will be the primary people behind daily operations on the farm. Maintenance of our on line platforms will be assisted by Gilda Berlingieri who will manage incoming messages, online store enquires, and general online operations for "Esther the Wonder Pig" while we direct our attention to the sanctuary and on site operations.

We are lucky enough to have two homes on the farm however; they both need some mechanical and cosmetic updating that we will take on with our own savings. We will be living in one, while Maureen Black and Lee Black (Steve's mother and step father) will be living in the other. Both Maureen and Lee are retired and will provide additional financial stability eliminating much of the pressure many other new sanctuaries encounter.

They will be working with us using Lee's electrical and mechanical expertise, while Maureen's incredible organization, office and of course cooking skills will keep us on our game, well fed and well represented when guests arrive at the property.

Suppliers:

We have been able to develop relationships with a number of amazing suppliers and supporting companies. They offer great products very much in line with our overall mission and goals at the sanctuary including, Daiya dairy free cheese, Botanicalz vegan spa and bath products, and V-dog vegan dog food. We are able to offer reduced prices for our supporters and guests, with a portion of the proceeds being donated to the sanctuary. This ensures little to no overhead cost for us while maintaining access to some amazing, top quality products. This list of suppliers or "supporting companies" continues to grow and evolve on a daily basis which will allow us to offer a fantastic variety of products to sanctuary visitors.

Alliances:

We have fantastic support from some of the world's largest and most respected animal rights and advocacy groups including the Humane Society, SPCA, Mercy For Animals Canada, Mercy For Animals USA, PETA and PETA2. These groups have a combined reach in the tens of millions of people giving us access to an incredibly large and supportive online community when we have a message to send. Their support since this project began has been invaluable, and continues to be a key factor in our success.

To compliment our advocacy and animal rights alliances, we have also made some amazing press and media contacts from national news, to magazines and online blogs. If we have a newsworthy update, we have the people to get the story told. Finally our celebrity contact list is becoming very extensive with people ranging from business executives and television personalities, to Rockstars and Golden Globe hosts. Esther has touched the hearts and minds of some of Hollywood's most influential entertainers and personalities.

These contacts enable us to amplify our voice beyond anything we ever could have imagined, even opening doors for potential appearances at the farm, music festivals, and celebrity cooking demonstrations. The sky is the limit and the crazy thing is.....we're just getting started.

Planned Changes:

Included in the \$905,000 purchase price of the farm is all major equipment, and buildings, that we will need to immediately open our doors. There are hundreds of feet of new unused fencing and chicken wire for fence repair and coop construction. Aside from an immediate clean up and some minor repairs to electrical and cosmetic items, the property is ready to go. With all equipment in place we do not associate any cost with preparing of a garden plot or grading of parking spaces.

Some of the other minor changes we will need to make include:

i) Alterations to existing fences which will ensure safety and security of our animals, and our guests.

ii) Construction of a wind-break shelter in the paddocks along with a small coop for fowl.

iii) Alterations to the existing 3 bay garage to include a temporary heated welcome centre with seating and a beverage and snack station.

Estimated costs for the above noted repairs and alterations should not exceed \$10,000. We plan to use our extensive list of volunteers on scheduled "work days" to make quick work of many general clean up and small jobs around the farm. With offers from professionals with experience in numerous trades including but not limited to cooking, landscaping, electrical, plumbing, construction and masonry; we know we'll be able to call on our amazing base of supporters and fans to bring these projects to life quickly, and cost effectively.

Current structures and buildings are sufficient for planned rate of growth until years 2-5 when we will begin construction of two small out buildings for small animals such as goats, donkeys and sheep along with fencing of an appropriately sized space for their outdoor activities. Total construction costs for the above mentioned items will equal under \$25,000 based on material cost, and some paid labour for professional services such as plumbing, electrical, and any required building permits as required by the municipality. Again we will request assistance from our database of supporters to help on scheduled work days during construction, which will limit and reduce costs wherever possible.

Construction of the self-contained visitors centre will approach \$70,000 and will include large open meeting/market space plus guest washroom facilities and beverage/snack station. We hope to begin construction of this facility as soon as possible based on our financial abilities and fundraising efforts.

Clearing of walking trails and installation of guest cabins will require municipal approval. Upon initial investigation we found this will add costs, but should not be a limiting factor, nor do our intended improvements conflict with any by laws or restrictions in place on the property. We don't anticipate any additional cost associated with the walking trails, but expect each guest cabin to cost between \$20,000-\$25,000 each utilizing reclaimed shipping containers and/or reclaimed log cabins. Construction of walking trails will begin immediately with guest cabins planned for later expansion years 3-5 and beyond.

We will require a first mortgage on the property of approximately \$500,000 at an interest rate of approximately 4% (at the time of pre-approval) Monthly payments fall within our personal approval thresholds according to our current financial qualifications, and no consideration to additional income produced as a result of our involvement with "The Esther Effect Farm Animal Sanctuary" registered charity.

More detailed information regarding our personal financial qualifications are available to qualified potential donors.

Contingency Plans:

We already have life and disability insurance, and intend to obtain critical illness, liability.

Our employees will be covered by workers' compensation insurance as we grow and require additional hired help.

We will have a will. While we don't have anybody in mind to take over our sanctuary if we become unable to work, we have given our parents contact information for competitors and other sanctuary owners who would be potential buyers if something should happen to both of us.

We will continue to look for a suitable candidate to take over operations of the sanctuary and ensure adequate funds from our estate are allocated to "The Esther Effect Farm Animal Sanctuary" registered charity, to ensure continued operation for a period of time should anything happen to both of us.

We have located an existing sanctuary that is willing to take Esther, and who meets our personal standards as a potential home for Esther in the event something should happen to both of us and a new home is required.

We will continue to find alternate/additional homes for any additional animals as they arrive at our sanctuary to ensure all animals can be easily relocated should anything happen to both of us and any or all of our animals need to find a new home.

If we need legal advice, we will retain the services of Erin Brinberg a partner at the law firm of Lewis, Brinberg Hanet, LLP. in Toronto Ontario.

If we need tax and/or accounting advice we will retain the services of Paul F. Latour CGA. In Acton, Ontario.