



MONTJOUX, LLC

A Colorado Limited Liability Company

1724 Mount Werner Road
Clock Tower Square
P.O. Box 3239
Steamboat Springs, CO 80477

August 13, 1999

Executive Summary

Mission

Montjoux will provide its clients with the best powder skiing experience in America.

Company Overview

Founded by Tobias Hemmerling in January of 1999, Montjoux is positioned to bring the highest level of service to the ski industry. The Company has negotiated to purchase the assets of Steamboat Powder Cats (SPC), an established snowcat ski company in Steamboat Springs, Colorado with a sixteen year operating history. Acquiring SPC's assets will give Montjoux exclusive commercial access to the best powder skiing and snowboarding terrain in the state. Located immediately north of the Steamboat Ski Area, SPC's 10,000-acre Forest Service permit area receives over 600 inches of the lightest snow in Colorado every year. With Montjoux's professional management, the Company will transform SPC into a world class operation.

Montjoux will provide a welcome alternative to the traditional ski resort experience. By supplying extra-wide powder skis to its clients, the Company will enable them to glide through the area's pristine powder with confidence. For those clients who require assistance with their powder skiing or snowboarding technique, Montjoux's experienced and well-trained guides will provide expert instruction. The Company's private on-mountain cabin will serve as an elegant setting for a catered lunch. With superior customer service and attention to detail, Montjoux will deliver an experience that is unequaled in the marketplace.

Industry

The market for adventure skiing has grown substantially over the last decade as more consumers actively seek experiences that involve physical challenges in outdoor environments. Montjoux will capitalize on this trend by providing untracked snow conditions within a full-service environment that allows its clients to indulge in their powder skiing or snowboarding fantasies.

Market

Montjoux's target market consists of skiers and snowboarders who enjoy deep powder conditions and consider themselves to be of intermediate, advanced or expert ability. Visitors are already attracted to Steamboat Springs by its reputation for champagne powder, and Montjoux will offer the ultimate powder experience without the ski area's crowds or lift lines. The size of the local target market is estimated at 600,000 skier visits per year, and Montjoux plans to capture one half of one percent of this market by its fifth year of operation.

Competition

Montjoux will not be the only snowcat ski company in Colorado, but it will be the only one located within ninety miles of Steamboat Springs. The Company's exclusive Forest Service permit will prevent any direct competitors from entering the local market.

Development

Montjoux has organized as a Colorado Limited Liability Company and closed on a first round of financing in the amount of \$700,000.

Operations

Montjoux will earn its first revenues during the 1999/2000 season. With two new snowcats, a renovated cabin and terrain that is three times larger than SPC's current usage area, Montjoux will be positioned to deliver on its promise of providing the best powder skiing and snowboarding experience in America. A comprehensive marketing campaign will be designed to increase market demand and justify the addition of a third snowcat during the Company's third year of operation.

Financial Projections

Fiscal Year	2000	2001	2002	2003	2004
Revenue	446,075	541,666	710,932	895,780	1,081,655
Cost of Services	162,590	246,997	315,453	381,096	394,745
Operating Expenses	208,617	189,986	211,381	234,211	256,303
Interest Expense	61,669	59,367	55,537	44,131	33,291
Net Income	13,199	45,316	128,566	252,100	397,315

Management

Tobias Hemmerling, Chief Executive Officer, Manager, Member

Mr. Hemmerling has worked in the outdoor recreation industry in Europe, Canada and the United States for 12 years and holds a Masters degree in Wilderness Risk Management and an M.B.A. in Entrepreneurship from the University of Colorado at Boulder. He is a Level II mountain guide and has lead ascents throughout Switzerland, France, Canada and the United States. Mr. Hemmerling has taught skiing in St. Moritz, Switzerland and Mont Tremblant, Canada, home of the prestigious Gray Rocks Ski School. As an instructor in Aspen, Colorado, he refined a new method of teaching telemark skiing originally developed by Mr. Ned Ryerson of the Aspen Ski Company. Mr. Hemmerling is a certified Level III avalanche forecaster with the American Avalanche Institute, the highest certification available. He is also certified as a Wilderness First Responder and has been an active rescuer since 1986. He served as the Operating Officer for Club Stumböck in Aspen, a multi-million dollar German ski-tour company catering to an affluent clientele. In this capacity, he personally guided clients on snowcat skiing tours. Mr. Hemmerling successfully founded and grew a non-profit organization in Fort Collins, Colorado dedicated to outdoor education and skill building.

Mr. Hemmerling's résumé and a profile of the Company's advisory board may be found in Appendix E.

Marketing

Service Description

Montjoux's Forest Service permit area near Buffalo Pass in the Routt National Forest will offer 10,000 acres of Steamboat's legendary champagne powder. With more than 600 inches of snowfall per year, this area features Colorado's deepest snowpack. Montjoux's open glades and world class tree skiing will offer challenging terrain for intermediate through expert skiers and snowboarders.

Montjoux will provide its clients with specialized Volant powder skis in order to maximize their enjoyment of the deep, untracked snow. By assuming SPC's Professional Ski Instructors of America (PSIA) ski school certification, Montjoux will enable its guides to offer clients high quality instruction. With powder skis and expert coaching, every client will be equipped with the resources necessary to ensure an enjoyable day on the mountain.

Prior to skiing, clients will be asked to visit Montjoux's office in order to fit their boots to the Company's powder skis, complete a short questionnaire regarding their skiing ability and sign a liability waiver. On the morning of their trip, clients may elect to depart from Montjoux's office or arrange for one of the Company's vans to pick them up directly from their lodging. In either case, their powder skis will have already been adjusted and loaded onto the vans. After a short drive to the Company's staging area within the Routt National Forest, clients and their guides will board heated snowcats and begin a twenty-five minute journey into the heart of Montjoux's ski terrain.

During the initial ride up the mountain, the lead guide in each snowcat will distribute digital avalanche transceivers and small backpacks to each client that contain snow shovels, water and room for personal items such as cameras, camcorders or additional layers of clothing. By the time the guide has finished explaining Montjoux's safety procedures, the snowcat will have reached the top of the first run.

Depending on the experience level of the clients, the lead guide will either demonstrate appropriate powder skiing technique on a forgiving slope or escort clients directly to Montjoux's more advanced terrain. Each lead guide will be accompanied by a second guide who follows clients down the hill, providing additional assistance and coaching when necessary.

After a morning of approximately five runs, clients will ski to Montjoux's on-mountain cabin where they will be greeted with a catered lunch including hot soup and beverages. The cabin will feature a dining area, comfortable reading chairs and a restroom. Those who feel too tired to continue skiing in the afternoon may choose to sit by the warm stove and enjoy a book from Montjoux's library or ride with their snowcat operator in the front of the vehicle.

The afternoon will typically consist of five additional runs, allowing most clients to ski 10,000 vertical feet per day. In most cases, clients will have finished skiing by 4:00 p.m. and will arrive at Montjoux's office or their lodging by 4:30.

Within two weeks of their trip, clients will receive letters of thanks from Mr. Hemmerling that contain return postcards inviting them to provide feedback on the quality of Montjoux's services.

A table of Montjoux's proposed services is provided below:

Montjoux's Services	
Terrain	<ul style="list-style-type: none"> ρ 600 inches of snowfall per year ρ Deepest and lightest snow in Colorado ρ 10,000 acres of open glades and tree skiing <ul style="list-style-type: none"> - 10% expert - 60% advanced - 30% intermediate
Amenities	<ul style="list-style-type: none"> ρ Door-to-door transportation available ρ Custom fitted ski equipment <ul style="list-style-type: none"> - Extra-wide powder skis in two configurations <ul style="list-style-type: none"> • Alpine • Telemark ρ Client safety equipment <ul style="list-style-type: none"> - Digital avalanche transceivers - Snow shovels - Avalanche probes ρ Private on-mountain cabin <ul style="list-style-type: none"> - Dining area - Library and reading chairs - Restroom
Food	<ul style="list-style-type: none"> ρ Lunch <ul style="list-style-type: none"> - Hot beverages - Catered gourmet food ρ Après-ski <ul style="list-style-type: none"> - Hot cider - Fresh Cookies
Learning	<ul style="list-style-type: none"> ρ Snow safety presentations ρ Local history and geography ρ Ski and snowboard instruction <ul style="list-style-type: none"> - Demonstration and coaching - Videotaping and review

Industry and Marketplace Analysis

Industry Analysis

Montjoux will compete in the recreational services industry. Between 1995 and 1996, consumer spending in the industry rose by 78%. In a 1995 Gallup Poll survey on the use of recreation and leisure time, 79% of respondents in the high income bracket listed "seeking adventure" and "being with nature" as primary motivations. The adventure travel segment alone accounts for over \$10 billion in annual revenue and is the fastest growing segment of the travel industry. W. Norman, President of the Travel Industry Association believes that "American[s]... are looking for new ways to challenge themselves, to push their physical energies to the edge and face nature at its boldest moments."

The ski industry is responding to this trend with significant investments in services that appeal to adventure skiers and snowboarders. Vail Resorts has purchased a snowcat ski company that offers backcountry skiing on Vail Pass. In addition, Category III, Vail's newest expansion area, is intended to attract adventure skiers with ungroomed slopes designed to simulate backcountry conditions. Steamboat's Pioneer Ridge expansion is targeted toward a similar market, as are Winter Park's Vasquez Cirque, The Ridge at Loveland, and Aspen's Highlands Peak and Highlands Bowl areas. Like Vail Resorts, the Aspen Ski Company has also acquired a neighboring snowcat ski operation.

Snowcat and helicopter ski companies are becoming increasingly popular with consumers. Canadian Mountain Holidays (CMH), the largest helicopter ski operation in the world, consistently sells out its fleet of thirty helicopters every year. During the 1996/1997 season, the helicopter skiing business in British Columbia alone amounted to more than 55,000 skier visits, or approximately \$55 million in revenue. Intrawest Resorts, the largest ski company in North America, acquired CMH in January of 1999, signaling its confidence in the growth potential of the adventure skiing market.

Not only are consumers demanding better ski conditions, but they are spending more money on their ski vacations as well. The National Ski Areas Association reports that total industry profits per skier increased more than 50% from 1995 to 1996. On average, destination skiers spend three times more money than day skiers and typically ski six days per trip, making them the most profitable consumer group on the mountain. Because they tend to return to the same resort year after year, destination skiers are a more profitable long-term revenue source than day skiers. The 1997/1998 Profile of Colorado Skiing reports that the median income of Colorado skiers increased by 16% from prior season levels to \$87,200 per household. Moreover, the number of skiers who report incomes over \$100,000 increased by 6% during the same twelve month period to 43% of all Colorado skiers. These consumers are capable of paying what is necessary to ensure an enjoyable ski vacation.

Marketplace Analysis

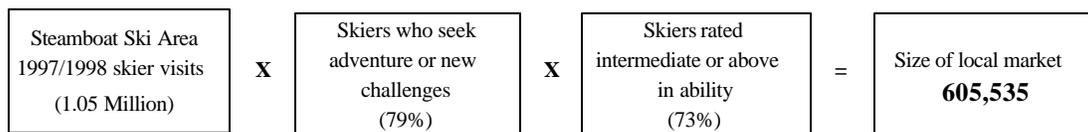
Approximately 80% of Steamboat's winter visitors are destination skiers. Recognizing the revenue potential of this market, the American Skiing Company recently purchased the Steamboat Ski Area and its surrounding properties. During 1998 alone, the company spent \$9 million expanding the mountain's terrain and investing in local real estate. By December of 1999, it will have completed construction of the Grand Summit, Steamboat's largest luxury hotel and condominium project to date.

According to the local Chamber of Commerce, Steamboat Springs draws more than 350,000 visitors to the area each winter. The resort boasts 1.05 million skier visits per season, ranking it as the fourth most popular ski area in Colorado. Its world renowned reputation for powder skiing draws winter visitors who care more about the quality of ski conditions than they do about shopping, nightlife or any other activities that are unrelated to skiing.

Customer Analysis

Mr. Hemmerling has spent years working in the outdoor recreation industry. Throughout his experience, the increasing market demand for a high level of service has become apparent. Montjoux will address this demand with the best service offering in the industry at a price that is competitive with other snowcat ski companies and is significantly less expensive than helicopter skiing.

Montjoux’s target market is the intermediate to expert Steamboat Springs skier or snowboarder who seeks adventure and deep powder conditions. The size of this market is considerable, as demonstrated in the figure below using data obtained from the 1997 National Skier/Boarder Opinion Survey:



With only 1,450 skier visits per season, SPC currently has a local market penetration of only two tenths of one percent. Montjoux’s management projects a market penetration of one half of one percent by its fifth year of operations.

As skiers and snowboarders become less tolerant of the long lift lines and poor snow conditions available at ski resorts, they are seeking alternative service providers who can guarantee excellent snow conditions and truly memorable experiences. Montjoux is uniquely positioned to deliver on this promise.

Competitor Analysis

Montjoux will face competition from helicopter ski companies, other snowcat ski operators and traditional ski resorts. For clients to receive the same level of service from a helicopter ski company, they would spend three to four times as much money and would assume the higher risk associated with transportation via helicopter. Existing snowcat operators charge comparable prices to Montjoux, but offer significantly less terrain, inferior snow conditions and lower levels of service. Ski resorts deliver a completely different experience and simply cannot provide comparable powder skiing conditions. Detailed descriptions of Montjoux’s primary competitors may be found in Appendix I.

Barriers to Entry

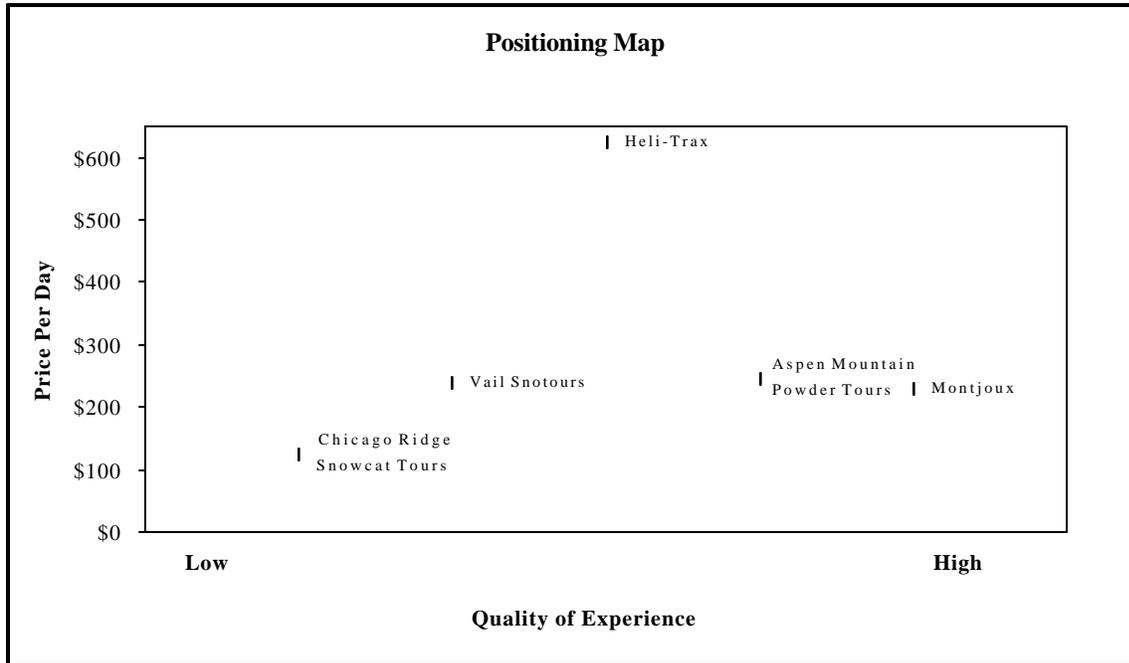
With a Special Use Permit from the Forest Service, Montjoux will secure an effective monopoly within the Steamboat Springs area. Because Forest Service policy allows only one such permit per forest zone, it will be impossible for direct competitors to enter the local market. As the only snowcat ski company within ninety miles of Steamboat Springs, Montjoux will enjoy an enviable position.

Marketing Strategy

Positioning

Montjoux’s primary points of differentiation will be its superior service and snow conditions. With the deepest and lightest snow in Colorado, Montjoux’s future permit area is recognized throughout the industry as the best powder skiing terrain in America. The benefits of an on-mountain cabin, custom-fitted powder skis and well-trained guides will further enhance the experience.

The two figures below illustrate Montjoux's positioning with respect to its primary competitors.



Company	Service	Price Per Day	Location	Size of Permit Area
Montjoux	Snowcat	\$245	Steamboat Springs	10,000 acres
Chicago Ridge Snowcat Tours	Snowcat	\$125	Ski Cooper	1,200 acres
Vail Snotours	Snowcat	\$255	Ptarmigan Pass	1,200 acres
Aspen Mountain Powder Tours	Snowcat	\$245	Aspen Mountain	800 acres
Heli-Trax	Helicopter	\$630	Telluride	N/A

No other snowcat or helicopter ski companies in Colorado currently offer services that are as comprehensive as those proposed by Montjoux. The Company will always enjoy the advantage of its superior terrain, and will continually strive to improve its excellent service.

Pricing

Montjoux's basic daily rate will be \$240 per person. A detailed pricing structure is given in the table below.

Single day tickets		Multi-day tickets	
Full day	\$245	5 full days	\$1,000
Full day with instruction	\$255	10 full days	\$1,700
Half day	\$180	5 half days	\$750
Half day with instruction	\$200	10 half days	\$1,200

Partnerships

Montjoux will cultivate the established relationship between SPC and the Steamboat Ski Area. A strong relationship with Montjoux will complement the on-mountain offerings of the Steamboat Ski Area, whose customers often wish for more diverse activities and better powder skiing conditions than are available at the resort. In fact, Billy Kidd, Steamboat's director of skiing, a former Olympic Gold Medalist and World Champion, has been referring clients to SPC for a number of years. Montjoux expects to continue this friendly relationship and will recommend that its clients visit the resort prior to their snowcat skiing experience in order to acclimate to the high altitude environment.

Montjoux will provide its clients with specialized powder skis made by Volant. This company manufactures some of the world's most respected powder skis and has entered into an exclusive supplier relationship with Montjoux. In return for very competitive pricing, the Company's clients and guides will ski exclusively on Volant skis, and Montjoux will feature Volant's name and trademark on all of its marketing materials. The Company has entered into similar agreements with Marker and Smith.

Montjoux is also currently negotiating a partnership with the German ski association (Deutscher Ski Verband [DSV]). This relationship will allow Montjoux to capitalize on the significant marketing capabilities of this powerful and well-organized association. The president of the DSV has expressed great interest in a formal relationship that would bring large groups of German skiing enthusiasts to Montjoux on an annual basis.

Marketing Communications

Montjoux has budgeted \$87,000 for marketing expenses during its first year of operation and an increasing amount thereafter. The Company's initial marketing resources will be devoted to capturing the established local and national markets. Beginning in the second year of operation, the Company intends to broaden its efforts to include international markets as well.

Trade Name

The Company's option agreement with SPC includes the right for Montjoux to use the Steamboat Powder Cats trade name and client list. During its sixteen-year history, SPC has developed a loyal client base and a mailing list of more than two thousand names.

Direct Mail

Montjoux will develop a high quality color brochure designed to convey the personalization and exceptional quality of the Company's services. All of Montjoux's marketing materials, including its brochures, will be designed with a common look and will feature the SPC Internet address and redesigned logo. The cost of brochure design, layout, printing and postage is estimated to be \$28,500 during the first year. Brochures will be sent to prospective and repeat clients accompanied by personalized letters from the CEO. These names will be identified from SPC's client list and from mailing lists purchased from the Steamboat Ski Area at an approximate cost of ten cents per name.

Internet Web Site

In order to serve those members of the target market who actively search for information using the Internet, Montjoux will redesign SPC's existing web site (www.steamboatpowdercats.com). The new site will include more detailed information than is given in the Company's brochure and will allow potential clients to contact Montjoux via e-mail. The cost of web site development is not expected to exceed \$5,000.

Public Relations

In addition to the Company's direct mail campaign, Montjoux will initiate a press relations campaign that targets local, national and international newspaper and magazine writers. The Company will send brochures and letters to publications such as *The Denver Post*, *The Rocky Mountain News*, *The Wall Street Journal*, *The New York Times*, *Men's Journal*, *Outside*, *Ski*, *Skiing* and *Powder*. One to two weeks after brochures and letters have been sent, Montjoux will contact the appropriate representatives, offering complimentary ski days for those correspondents who would like to experience Montjoux's service.

Advertising

Montjoux will advertise on the local Steamboat Springs television channel at a cost of approximately \$5,600 per season, place Company brochures in local hotels, advertise in local newspapers and pay for listings in *Steamboat Visitor's Guide* and *Steamboat Magazine*.

Personal Selling

The CEO will conduct regional sales presentations for prospective corporate clients during the off-season. These exclusive presentations will be held by invitation only and will give the founders an opportunity to demonstrate Montjoux's high degree of service. Beginning in the second year of operation, presentations will also be held abroad in order to capitalize on the CEO's extensive network of international contacts.

Videotape Production

The Company will produce videotapes that include an introduction to Montjoux's services and footage of spectacular powder skiing in the Company's permit area. These tapes will run continuously in Montjoux's office for the benefit of walk-in clients and will be available to prospective clients upon request.

Commissions

Montjoux will cultivate relationships with Steamboat lodging concierges and accredited travel agents, rewarding them for client referrals with free ski days and commissions where appropriate.

Moonlight Descents

Montjoux will schedule complimentary moonlight descents once per month for influential members of the Steamboat Springs community and for those who have referred a substantial number of clients to Montjoux. Occurring on Friday evenings and synchronized as closely as possible with the rising of the full moon, these events will take place after regular business hours. Guests will be transported via snowcat to the top of a gently sloping hill. The CEO will lead the group with a blazing torch down to the Company's cabin where a roaring fire, hot drinks and a catered dinner will be available. For those who wish to make repeated descents, a snowcat will be on call to transport them back to the top of the hill. The entire event will be designed to showcase Montjoux's high standards of service and to generate goodwill and future sales.

Post-Service Follow-Up

Within two weeks of each client's visit, Montjoux will send a personalized letter of thanks that includes a return postcard requesting feedback and suggestions for improving the service. During late summer of every year, the Company will send brochures to its former clients informing them of changes and improvements for the upcoming season and inviting them to return.

Sponsorship

Montjoux will actively support local clubs and charitable organizations by donating free ski days and hosting special events.

Development

Timeline

Montjoux's development activities can be divided into two phases as outlined below. The development period began January 1, 1999 and ends December 14, 1999. Phase I activities were funded with seed money contributed by the founder. Phase II began with the exercise of Montjoux's option to purchase SPC's assets. It has been funded by the proceeds of the companies first round of financing.

1999		
Jan 1	Jun 1	Dec 15
-----Phase I-----		-----Phase II-----
Organization	Office Space	
Seed Funding	Insurance	
Legal Counsel	Marketing and Sales	
Option Agreement	Vehicles	
Due Diligence	Snowcats	
Exercise of Option	Equipment	
Closing		

Phase I (January 1, 1999 to May 31, 1999)

Organization

Montjoux organized as a Colorado Limited Liability Company (LLC) on January 11, 1999.

Seed Funding

Montjoux's Phase I expenses are funded by a \$100,000 capital contribution from its founder, Mr. Hemmerling. These funds have covered all expenses incurred during Phase I of the development period.

Legal Counsel

Montjoux has retained Chrisman, Bynum and Johnson as its legal counsel. Based in Boulder, Colorado, the firm specializes in corporate law.

Option Agreement

Montjoux signed an option agreement with SPC on January 26, 1999 that entitles the Company to purchase SPC's assets, trade name and client list at the end of the 1998/1999 winter season. The option was exercised by Montjoux on May 31, 1999.

Due Diligence

In January of 1999, Mr. Hemmerling began an ongoing due diligence process facilitated by the current proprietors of SPC. Mr. Hemmerling has been briefed with regard to management and sales tasks, and has joined current SPC employees in guiding ski trips. This process will continue throughout the development period.

Closing

Montjoux has closed on its purchase of SPC's assets on Friday, August 20, 1999.

Phase II (June 1, 1999 to December 14, 1999)**Office Space**

Montjoux has leased permanent office space in Steamboat Springs, Colorado. Office renovations are expected to last as long as two months and cost \$30,000. The approximately 1,000 square foot facility will be used for administrative duties and storage of ski equipment. The preliminary office floor plan is provided in Appendix G.

Insurance

Montjoux will acquire a comprehensive array of insurance policies prior to commencing operations, including general business insurance, key man insurance, snowcat and vehicle insurance, health insurance, workers' compensation insurance, general liability insurance and property damage insurance for the Company's on-mountain cabin. A detailed list of insurance policies and prices is presented in the notes to Appendix C.

Marketing and Sales

Montjoux will begin its marketing and sales campaign during the summer of 1999. Details may be found in the Marketing section.

Vehicles

The Company will sell SPC's existing vans and will lease two vans on a seasonal basis.

Snowcats

Because SPC's aging snowcats are incapable of climbing steep slopes and are unsuitable for Montjoux's improved service level, the Company will replace them with two newer leased models built by Bombardier. An experienced fabricator will be retained to build custom twelve-passenger cabins at an estimated cost of \$30,000 each. Complete snowcat specifications are provided in Appendix H.

Equipment

The Company will purchase all outdoor equipment necessary to conduct its business prior to commencing operations. This includes technical, communications and safety equipment as well as specialized Volant powder skis. A complete list of equipment is provided in Appendix D.

Operations

Personnel

Management

Tobias Hemmerling serves as Montjoux's Chief Executive Officer. He will begin drawing a \$60,000 annual salary beginning June 1, 1999.

Guides

During its first two operating seasons, Montjoux will employ six guides on a full-time basis. In addition, the Company will maintain relationships with qualified part-time guides who are able to work when needed. All guides will be trained in ski and snowboard instruction, mountain safety procedures, snow stability evaluation techniques and customer service skills. Montjoux's lead guides will possess at least five years of industry experience, Emergency Medical Technician certification and training in snowcat operation and maintenance. Guides will be compensated at a rate of \$90 to \$110 per day.

Administrative Assistant

Montjoux will employ a seasonal administrative assistant beginning November 1, 1999 at the equivalent of an annual salary of \$25,000. The assistant's duties will include answering the Company phone, accepting reservations from clients and performing general administrative tasks.

Service Delivery

Transportation

Montjoux will transport its clients from their lodging or the Company's office directly to its staging area in the Routt National Forest. Morning half-day trips will depart at 7:15 a.m., full-day trips at 7:45 a.m. and afternoon half-day trips at noon.

Equipment

In order to ensure their comfort, Montjoux will request that clients use their own ski boots and poles. Prior to skiing, clients will visit Montjoux's office in order to allow for custom fitting of their boots to the Company's powder skis. In addition to powder skis, Montjoux will provide each client with a small backpack, digital avalanche transceiver, shovel, avalanche probe and personal water bottle. The Company will also keep a limited number of telemark skis on hand for those clients who are skilled in their use. Snowboarding clients will be asked to provide their own boots and boards.

Cabin

After a thorough remodeling during the summer of 1999, Montjoux's on-mountain cabin will be ideally suited to provide a welcome respite after a morning of powder skiing. Its features will include a dining table, cast iron stove, comfortable reading chairs and a modern propane-fired incinerating toilet.

Safety Procedures

All guides will use two-way radios to remain in constant communication with each other and the Company's office. Guides will carry comprehensive first aid kits in their backpacks and will keep large items such as rescue sleds and oxygen canisters in the snowcats. In an emergency, injured parties may be transported down the mountain in a snowcat or flown directly to the hospital via helicopter.

The Company's guides will conduct regular snowpack and snow stability evaluations supervised by Mr. Hemmerling, a certified Level III avalanche forecaster. Using meteorological data, snow pits and advanced stability measures, they will carefully monitor the snow conditions on all of the area's major slopes. The thoroughness of these procedures will allow Montjoux to expand its operations into more challenging terrain than is currently utilized by SPC.

Growth

Montjoux's fifteen square mile permit area will encompass approximately 10,000 acres and will be five to ten times larger than the permit areas of competing Colorado snowcat ski operators. The Company's exceptional service quality and aggressive marketing strategy are projected to generate enough demand by the third year of operation to require the addition of a third snowcat.

Financial Summary

Exhibit 1 displays the Company's projected revenue, cash position, net income and profit margin over time.

Exhibit 2 summarizes the projected financial performance of Montjoux over the five-year period ending in April of 2004. Complete details of the Company's financial statements and related assumptions are provided in Appendices A, B, C and D.

Exhibit 3 provides an overview of the company's use of the proceeds of its first round of financing.

Exhibit 1:

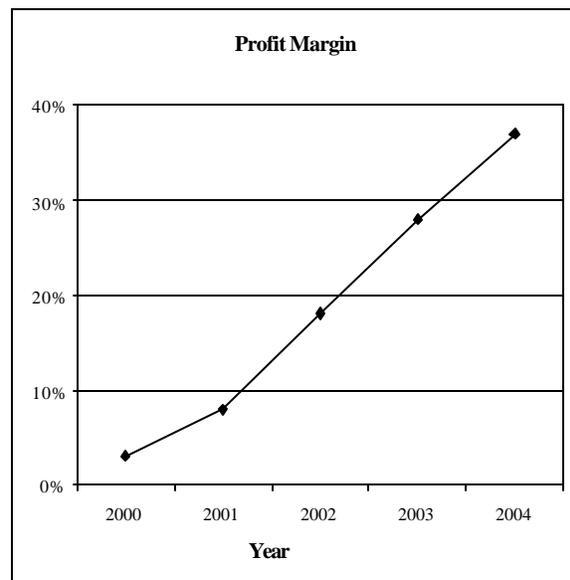
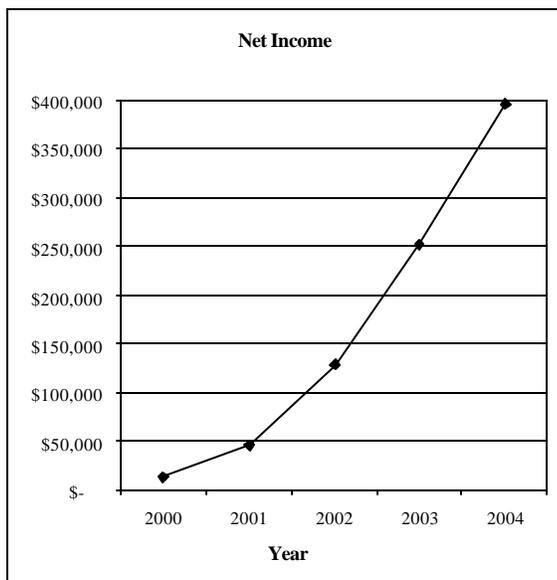
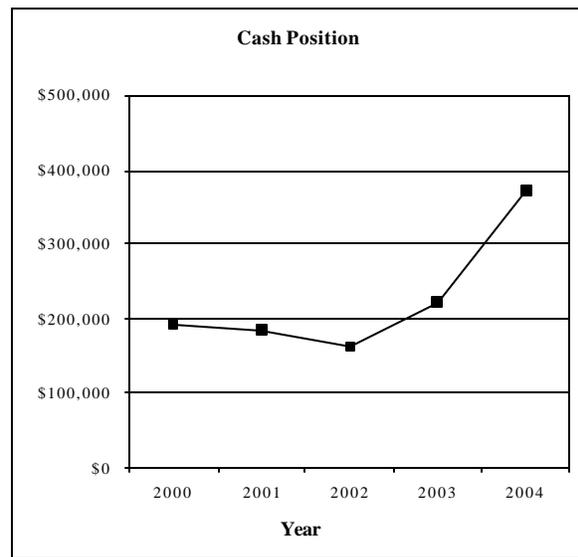
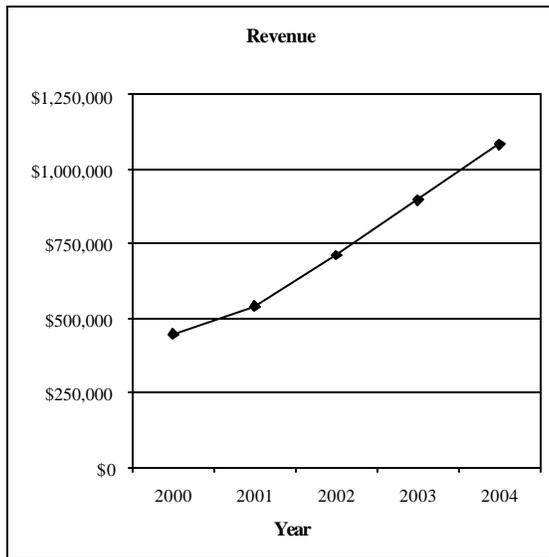


Exhibit 2:**Income Statements 2000-2004****MONTJOUX, LLC****Income Statement****For the year ending April 30**

(Amounts in Dollars)

	2000	2001	2002	2003	2004
Revenue	446,075	541,666	710,937	895,780	1,081,655
Cost of Services	162,590	246,997	315,453	365,339	394,745
Gross Margin	283,485	294,669	395,483	530,442	686,910
% of Revenue	64%	54%	56%	59%	64%
Operating Expenses	208,617	189,986	211,381	234,211	256,303
% of Revenue	47%	35%	30%	26%	24%
Interest Expense	61,669	59,367	55,537	44,131	33,291
Net Income/(Loss)	13,199	45,316	128,566	252,100	397,315
% of Revenue	3%	8%	18%	28%	37%

Exhibit 2 continued:**MONTJOUX, LLC
Balance Sheet
April 30**

(Amounts in Dollars)

	2000	2001	2002	2003	2004
Current Assets					
Cash	192,655	185,702	163,176	222,401	371,924
Accounts receivable	16,828	20,280	26,618	33,539	40,498
Total Current Assets	209,482	205,983	189,794	255,940	412,422
Intangible Assets					
Goodwill/Non-compete	195,000	195,000	195,000	195,000	195,000
Organization costs	13,000	13,000	13,000	13,000	13,000
Accumulated amortization	13,961	29,561	45,161	60,761	75,494
Net Intangible Assets	194,039	178,439	162,839	147,239	132,506
Fixed assets	395,457	428,165	582,550	647,558	710,066
Accumulated depreciation	29,137	101,722	190,816	274,971	331,553
Net fixed assets	366,320	326,443	391,734	372,587	378,513
Total Assets	769,841	710,865	744,367	775,766	923,441
Liabilities					
Total Current Liabilities	18,642	20,921	23,484	26,231	28,750
Bank Loan Liability	551,484	493,669	430,272	360,757	284,532
Capital Lease Liability	102,422	71,793	88,988	35,897	18,889
Total Liabilities	672,548	586,383	542,745	422,884	332,170
Members' Capital					
Beginning of period capital balance	106,228	151,066	258,192	446,664	736,616
Contributions	-	-	-	-	-
Net income/ (loss)	(8,935)	(8,458)	(5,144)	7,057	13,581
Distributions	-	(18,126)	(51,426)	(100,840)	(158,926)
Total Members' Capital	97,293	124,482	201,622	352,882	591,271
Total Liabilities and Members' Capital	769,841	710,865	744,367	775,766	923,441

Exhibit 2 continued:**MONTJOUX, LLC
Statement of Cash Flows****For the year ending April 30**

(Amounts in Dollars)

	2000	2001	2002	2003	2004
Cash flows from operating activities:					
Net income/(Loss)	13,199	45,316	128,566	252,100	397,315
Adj. to reconcile net income/(loss) to cash					
Depreciation and amortization	87,682	88,185	104,694	99,755	71,315
Changes in operating assets and liabilities:					
(Increase)/decrease in accounts receivable	(16,828)	(3,453)	(6,338)	(6,921)	(6,959)
Increase/(decrease) in accounts payable	16,356	2,279	2,563	2,747	2,519
Net cash provided/(used) by operating activities	100,409	132,326	229,486	347,681	464,191
Cash flows from investing activities:					
Purchase of fixed assets	(310,457)	(32,708)	(89,385)	(65,008)	(62,508)
Other investing activities	(175,000)	-	-	-	-
Net cash provided/(used) by investing activities	(485,457)	(32,708)	(89,385)	(65,008)	(62,508)
Cash flows from financing activities:					
Principal payments	(76,094)	(88,444)	(111,201)	(122,607)	(93,233)
Contributions	640,000	-	-	-	-
Distributions	-	(18,126)	(51,426)	(100,840)	(158,926)
Net cash provided/(used) by financing activities	563,906	(106,570)	(162,627)	(223,447)	(252,159)
Net increase/(decrease) in cash	178,858	(6,952)	(22,527)	59,226	149,523
Cash - beginning of period	13,796	192,655	185,702	163,176	222,401
Cash - end of period	192,655	185,702	163,176	222,401	371,924

Exhibit 3:

Use of Proceeds

The Company will use the proceeds of the first round of financing (*i.e.*, \$700,000) in the following manner:

1. \$305,000 (approximately one-half of the proceeds) will be used by the Company to purchase the assets of Steamboat Powder Cats, a Colorado corporation (“SPC”), pursuant to the terms and conditions of an option agreement dated January 26, 1999. As more fully described in “The Business Plan,” this transaction will provide the Company with its initial working assets and will allow it to assume SPC’s former Special Use Permit in the Routt National Forest.
2. \$200,000 will be used by the Company for other capital expenditures, including, but not limited to:
 - a. The replacement of snowcats.
 - b. Powder skis and safety equipment for clients.
 - c. Lease of an additional van.
 - d. The renovation of the on-mountain cabin.
3. \$145,000 (approximately one-quarter of the proceeds) will be used by the Company for working capital. These funds will be roughly allocated as follows:
 - a. Marketing expenditures (budgeted at approximately \$90,000).
 - b. Office lease (approximately \$20,000).
 - c. Reserve (\$85,000).