



MOUNTAIN SPIRIT

RESORT & SPA

KIMBERLEY · BRITISH COLUMBIA



COMMERCIAL RESTAURANT OPPORTUNITY



MOUNTAINSPIRITRESORTANDSPA.COM

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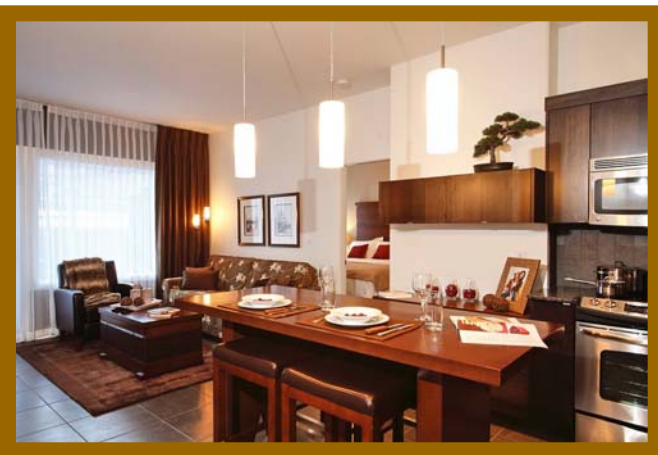
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MOUNTAIN SPIRIT RESORT & SPA RESTAURANT OPPORTUNITY

INTRODUCTION

Mountain Spirit Resort and Spa is the newest and classiest resort to arrive in Kimberley in the most desirable ski-in ski-out location in Kimberley Alpine Resort Village, Kimberley, British Columbia. The Resort is eco-friendly providing geo-thermal heating and cooling systems and many other features to compliment this pristine environment. The Resort is designed in modern mountain architect by BCMP Architects to provide the condominium owners and hotel guests with the charm and comforts of a mountain lodge, plus all the amenities of a luxury boutique hotel and full service spa. **The resort is complete and now open** for rentals and has already achieved 5 star ratings on www.TripAdvisor.com

The resort will feature a 4,000 sft restaurant with an additional outdoor South East facing slopeside patio. In addition to the future restaurant, the development includes a lounge, meeting room, exercise room, a reception lobby, ski lockers and other hotel and office operating facilities. The Resort will include approximately 6000 sq. ft. (includes outdoor patio area) for an upscale, full service commercial spa. Residential parking is provided in a heated underground parkade with 8 feet of clearance. The outdoor recreational facilities include true ski-in/ski-out, a heated outdoor pool and whirlpool, and beautiful landscaped grounds.

The Resort contains 8 strata-titled condominiums allowing for whole and quarter share fractional ownership. The condominium units have spacious floor plans ranging from 411 to 1193 square feet and are comprised of studios, one, two and three bedroom units.

Mountain Spirit Resort and Spa is dynamically located in the newly developing Kimberley Alpine Resort Village situated two kilometers from the downtown core of Kimberley, British Columbia and at the base of North Star Mountain – the Kimberley Alpine Resort. The Alpine Village is planned as a pedestrian style plaza supporting various types of accommodation, restaurants, clubs and shopping. Currently Kelsey's operates in the neighbouring Trickle Creek Lodge.

Access to Kimberley via highway 95A is a four-hour drive from Calgary, Alberta and Spokane, Washington. The Canadian Rockies International Airport (previously the Cranbrook Airport) is located approximately 20 minutes drive to Kimberley. The airport has completed a recent expansion (facilities and runway) in order to receive International charter flights. It is expecting the largest portion of its charter market to come from London, U.K. and from the Eastern

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North America. Delta provides flight service three times per week from Salt Lake City, Utah – less than two hours flight. The marketing committee for the airport is presently working with a Canadian airline company with plans to start direct flights from other major Canadian Cities. Presently, daily flights service the area from both Calgary, AB and Vancouver, BC.

The Alpine Resort is adjacent to the Trickle Creek Golf Course. An eighteen-hole course designed by Canadian Golf Course Architect Les Furber and has been awarded a four and half star rating by Golf Digest magazine. There are four other excellent golf courses within a 20 minute drive from the resort and a total of 18 courses within an hours drive (local courses average 25,000 golfers per season). Two Gary Player PGA golf courses are planned just north of Cranbrook. The National Geographic Society has produced a GeoTourism Guide Map, which features Kimberley, BC. As per their research, 55 million Americans select geo tourism as a vacation destination.

Kimberley offers a 2000-acre nature park providing over 100km of mountain biking and hiking trails. The “rails to trails” program is completing, offering a paved trail from Kimberley to Cranbrook.

Kimberley Alpine Ski Resort is open from mid December to April. Six lifts transport skiers and snowboarders to over 192 hectares of skiable terrain. (The ski area boundary is 883 hectares – considerable room for expansion) making this the fourth largest ski hill in British Columbia. Kimberley Alpine resort offers night skiing three nights per week, and the longest night skiing run in N. America. The Nordic Centre provides 33km of groomed cross-country ski trails of which 3km are lit for night skiing. The St. Mary’s river offers excellent fly-fishing and rafting trips suitable to all levels.

The base of the hill will host the ‘first of its kind’ **Paralympic Training Centre** in North America. This is of significant importance to the economy of Kimberley, as it will bring athletes from around the world for training and competitions. The construction of a 500 person capacity **Convention Center** within this facility has commenced. The convention center will establish a new market of business travelers.

The area is truly a four-season destination, which attracts visitors seeking a unique blend of on and off mountain experience.

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THE RESORT

Located on 0.410 hectares, the Resort has a total buildable area of 10,154 square meters. We are conscious of our environment and have therefore included geo-thermal heating and cooling, eco elevators, low E windows, natural wood products (including our furniture) and several other initiatives to protect the environment. The resort consists of sixty-eight residential units, the spa, restaurant, commercial retail, meeting space, management lot, lobby, ski lockers, pool and hot tub. All commercial property is available for sale.

Each residential unit has been professionally designed by Ingenium Design Group (recently awarded as one of Canada's top interior design firms) and outfitted with superior furniture, fixtures and lighting. The signature 'Mountain Escape' furniture is custom-designed by Michael Wong of Gault's Hospitality of Vancouver, B.C exclusively for Mountain Spirit. Detail has been given to every aspect of the interior befitting that of a four star facility.

BCMP Architects provided the interior design services for the common areas including the lobby.

The spa will service as the centre piece of the Resort. In itself the Spa is a major attraction to both Mountain Spirit and the Resort area and will be the only Spa or wellness facility allowed within a significant radius of the Alpine Village.

PROJECT TEAM

The resort was developed by Chisa Resources Inc. for the purpose of developing a world class facility in the heart of a community nestled between the Purcell and Rocky Mountains.

Chisa Resources Inc. is wholly owned by LASS Enterprises Ltd. and Ms. Lindy MacKenzie and Ms. Susan Scott. Lindy MacKenzie is a fifty percent shareholder of LASS Enterprises Ltd. and Chisa Resources Inc. She is also the president and a director of both LASS Enterprises Ltd. and Chisa Resources Inc. She is a certified management accountant who has spent twelve years in various management positions in the oil and gas industry. She presently co-owns Spliedt Ranching, a private commercial cattle operation, and provides accounting and management services to the agricultural industry. Ms. MacKenzie is a past director of the Western Irrigation District and has served on advisory committees including the Western Irrigation District and the Neo-natal Intensive Care Unit at the Foothills Hospital. She is also certified as a spa director. Ms. MacKenzie is actively involved in the creation and development of Mountain Spirit Resort and Spa.

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Susan Scott, a successful entrepreneur, is a co-owner of Postell Energy Co. Ltd., privately held oil and gas company established in 1980, and is Vice President Finance and Secretary Treasurer. She is also President of Trinity Scott Enterprises, an accounting services company. Under her leadership this company has grown each year and currently has a sound, diversified customer base. Ms. Scott is also co-owner of the J2 Ranch in Canal Flats, B.C. where she provides hands on management. Ms. Scott is a fifty percent shareholder of LASS Enterprises Ltd. and Chisa Resources Inc. She is also the vice-president and a director of both LASS Enterprises Ltd. and Chisa Resources Inc. Ms. Scott is also certified as a spa director.

Ms. MacKenzie and Ms. Scott are jointly involved in other real estate activities.

Legal Council is provided by – Majic Purdy, Fernie B.C. - Mr. Glen Purdy – Mr. Purdy is involved in two local ski area development projects and brings over 20 years of knowledge to this project. Alberta council is provided by Mr. Darren Taylor, Gowlings LLP, Calgary, Alberta. Mr. Taylor has also prepared and filed the Alberta Prospectus for Mountain Spirit Resort and Spa.

Architects – BCMP, Calgary, AB – Mr. Ivica Marinic, principal, is in charge of the architectural design as well as interior design of the common space of the development. His creation has lead to a modern mountain architecturally designed building that will distinguish this project. An experienced team of structural, mechanical and electrical engineers are provided through BCMP.

Accountants – Trinity Scott Enterprises – Ms. Susan Scott and Lindy MacKenzie, CMA. Taxation accounting is provided by Kris Matthews of the Matthews Group, Calgary, Alberta.

New Dawn Developments Ltd. – Cranbrook, B.C, provided construction consulting and management. Founded in 1978, New Dawn is actively involved in building in Cranbrook, Kimberley, Fernie and the Fernie Alpine Resort, Invermere and the Panorama Ski Resort.

Bellstar Hotels & Resorts - Rental Management – Mountain Spirit Resort is professionally managed by Bellstar Hotels & Resorts. Bellstar operates boutique resorts in Western Canada with the objective to be the leading developer and operator of resort properties in the region. Bellstar creates exceptional resort experiences and supports the operation of these properties with a highly trained and dedicated team of hospitality professionals. Owners will have the option to participate in a rental program during periods when the Owner does not reserve his condominium for his personal use. There is no mandatory rental covenant or use restriction covenant on this property.

THE MARKET - THE PROVINCE OF BRITISH COLUMBIA

Tourism is one of the province's largest industries, exceeding \$8.9 billion in 2003 and the BC government is taking this seriously. .

Under the direction of the Minister of State for Resort Development, the vision is: **"to develop British Columbia as a world-class all season resort destination."** The BC government's commitment to resort development is a major focus designed to grow tourism throughout the province maximizing opportunities created by hosting the 2010 Olympic and Paralympic Winter Games. The British Columbia Resort Strategy and Action Plan (May 2004) identify the plan of action required to support the growth in the resort sector.

The 5 strategic directions identified in the study are:

- 1; maintain and enhance BC's competitive edge in resort development
- 2; increase resort development
- 3; support resort communities
- 4; improve transportation infrastructure
- 5; build First Nation partnerships

Of significant importance to the Kimberley area are the international designation given to the Cranbrook Airport and the construction started to meet the needs to receive international traffic. The expansion will open the region to new tourism opportunities.

THE REGION – THE KOOTENAY ROCKIES

Consumers worldwide are increasingly seeking experiential, life-enriching vacations that involve education, the outdoors and nature. Additionally, focus on local culture and wellness is on the rise, especially amongst the baby boomers. The Kootenay Rockies offers exceptional experiences in many of these tourism sectors, making the region well positioned to capitalize on today's tourism trends.

Accommodations revenues in this region more than doubled in the past 10 years to almost \$100 million annually, making the Kootenay Rockies the fastest growing tourism region in British Columbia. Total tourism GDP in the region exceeded \$800 million in 2003.

In 2003, close to 2 million overnight stay visitors came to the Kootenay Rockies. The international long-haul component of approximately 400,000 visitors represented 19% of all visitors to the region.

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These visitors were made up of:

- 60% short-haul Canada;
- 7% long-haul Canada;
- 8% Europe;
- 4% Asia Pacific;
- 7% long-haul USA;
- 13% short-haul USA;
- 1% other international.

KIMBERLEY

Kimberley, a city of approximately 6,500 people and a trading area of 60,000 people, offers its own untapped beauty and potential. Set between the Purcell and Rocky Mountains lies this sleepy town, which offers an abundance of outdoor amenities to attract a vast array of tourists. The area is a prime four season resort in its infancy.

Since the closing of the Sullivan Mine in December 2001, Kimberley is transitioning to a tourism-based economy. A Destination Marketing Organisation has been established with a dedicated Tourism Manager operating Tourism Kimberley.

The previously under utilized Chamber of Commerce has been given a new lift by centrally locating into a new building in the core of the city. The Chamber will focus on tourism as well as assisting the business community in other ways.

KIMBERLEY ALPINE RESORT

Resorts of the Canadian Rockies (RCR) own the Kimberley Alpine Resort. The goal of RCR is to develop a pedestrian style plaza of condo-hotels, restaurants, shops and tourist facilities at the base of the ski hill. A resort master plan was developed in 1997 prior to the change in ownership of Resorts of the Canadian Rockies. As a result of the change in ownership development was put on hold. This year saw RCR moving forward with the plan. Removal of the Northstar Centre (previous ski lodge) and expansion of the Stemwinder Pub at the base of the hill was under taken in order to bring the masses to the focal point at the base of the hill. The future development is expected to create 2000 units or approximately 5,934 beds.

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Another organization has taken over the marketing of Lake Louise (RCR owned ski resort) thereby freeing the marketing dollars, normally budget for Lake Louise, to go to the Fernie and Kimberley Alpine Resorts. RCR is marketing these two ski resorts in 22 countries around the world.

Data is currently being collected by Kimberley Vacations to determine the geographic area market share as well as the share of this market to each of the accommodators. This data, obviously, will include the number of overnight visits to the area. This information was not available at the time of producing this report and there is no other source tracking it.

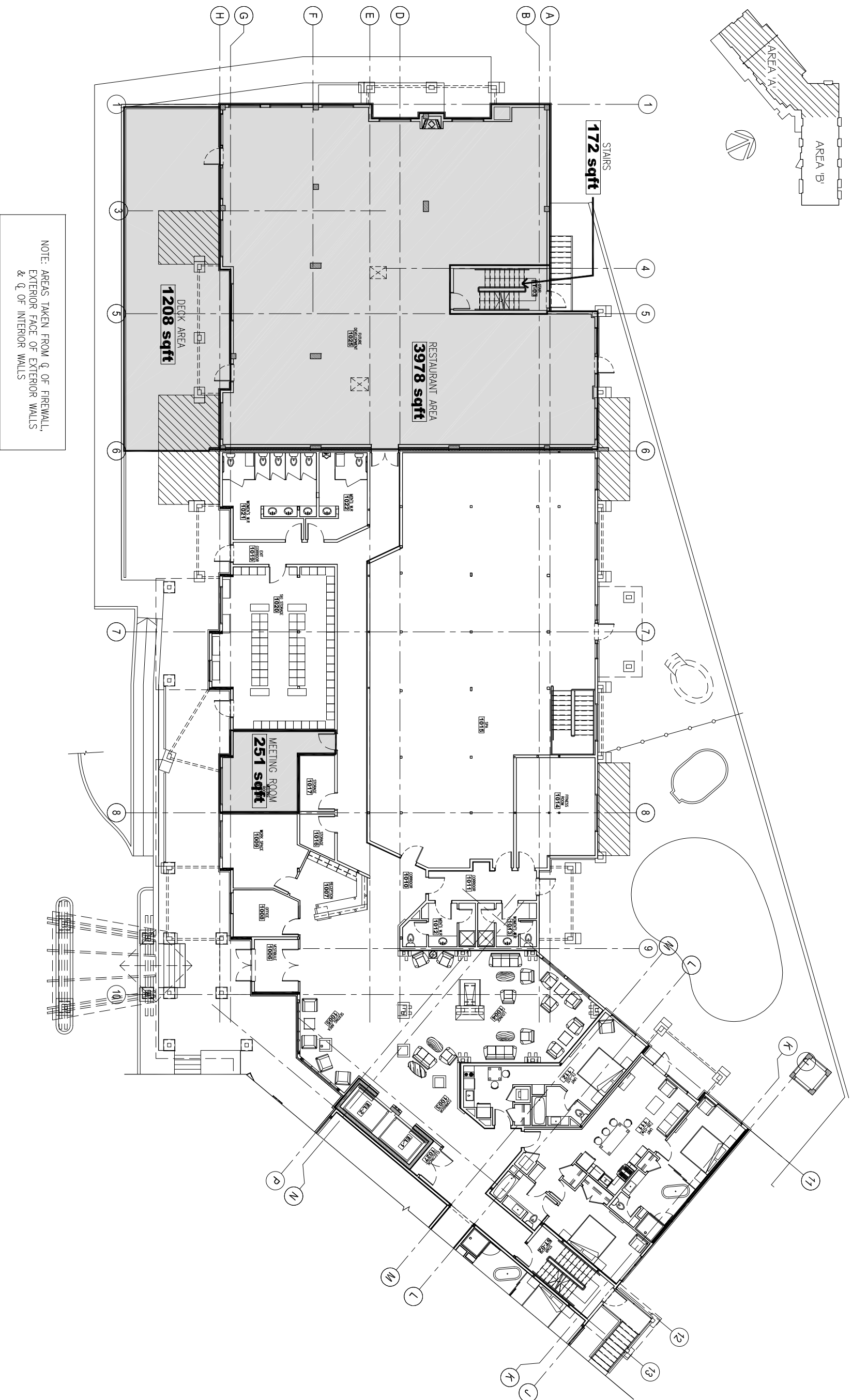
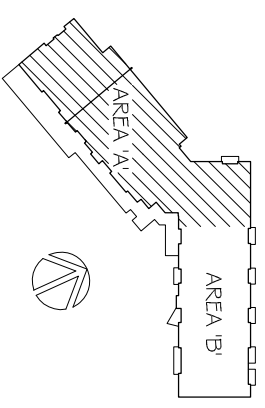
The majority of the visitors to the area are from Canada and the USA. RCR is the only major marketer to the international market and reports over 29% of the 2004 room nights sold at the Marriott were to the international market – 17% USA (mostly Midwestern); 9.5% United Kingdom; 3% other international.

At 19.3%, Calgarians account for the largest share of the domestic market with Vancouver and the Pacific Coast at 15%.

In 2004, the Marriott average a 56% occupancy while the remaining accommodators averaged 19%. This situation should change with the joint marketing efforts of the Destination Marketing Organization and Tourism Kimberley as well as the Convention Centre expected to open Fall 2010.

The floor plan of the Restaurant space follows.

Please contact us at 1-877-427-7330 to discuss this opportunity.



NOTE: AREAS TAKEN FROM Q OF FIREWALL,
EXTERIOR FACE OF EXTERIOR WALLS
& Q OF INTERIOR WALLS

1 MAIN FLOOR PLAN AREA-A
ASK-48 SCALE: 1/8" = 1'-0"

Notes

This is a copyright drawing and shall not be reproduced or revised without written permission and must be returned at the completion of work or upon request. The contractor shall check and verify all dimensions and report all errors and omissions to the architect. Drawings should not be scaled. This drawing shall not be used for construction purposes until so approved.

Revisions

Consultant

Client

**MOUNTAIN SPIRIT
RESORT AND SPA INC.**

Project
Project No. 0403500
**MOUNTAIN SPIRIT
RESORT AND SPA**

Consultant
KIMBERLEY
B.C.

Scale: AS SHOWN

Date: March 31, 2008
Drawn: MM
Approved:

Sheet Title

**RESTAURANT &
MEETING ROOM AREAS**

Sheet Number

ASK-48