

BLUE TOAD BOTANICALS™ CORPORATE SUMMARY

SUMMARY

Blue Toad Is A Premium **Functional-Mushroom Brand** That Offers Consumers Simple, Effective & Fun Solutions For Their Lifelong Health Journey.

Our **Vision** Is To Build a Brand That Truly Matters To Consumers By Gaining Their Trust In The Functional Mushroom/Wellness Space & Then Delivering Them The World's Most Impactful **Botanical Microdose Products**.

PROBLEM

Our Food & Health Systems Are Broken. Decades Of Highly Processed Foods, High Sugar Intake, Over Prescribed Opioids & Antibiotics Are Responsible For Creating A Culture Where 67 Million Americans Have Complex Metabolic Health Issues.

69% Of Americans Are Overweight Or Obese & **50+ Million Americans Have Chronic Pain.**

88 Million American Adults (1 in 3) Are Pre-Diabetic, **34.2 Million Are Diabetic.**

Depression Affects over 18 Million Adults (1 in 10), & Accounts For \$23 Billion In Annual Lost Workdays & Over **41,000 Suicides Annually.**

OPPORTUNITY

Functional-Mushrooms are Fast Becoming Mainstream To Combat Post Pandemic Global Health Health & Wellness Concerns (Millennial & Gen-X).

The First Wave Of U.S. Functional-Mushroom Brands Have Focused Heavily On Consumer Marketing & Missed The Opportunity To Utilize **Patented Ingredients** & Deliver Effective Protocols Via **Wellness & Outpatient Clinics, MD's/ ND's & Chiropractic Offices.**

We Solve this Problem With Great Tasting & Highly-Functional SKU's Using Patented/ FDA Approved Ingredients, Wrapped In A Brand That Consumers Can **TRUST** Throughout Their Health Journey.

We Are Alone In Focusing On Legal Consumer Need-State **Therapeutic Botanical Microdose** Protocols.

OUR CURRENT SOLUTIONS



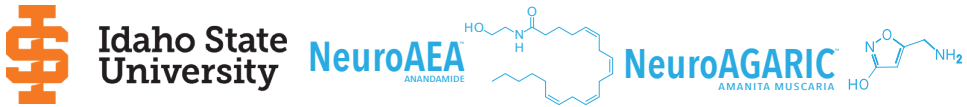
Multiple CPG Delivery Formats & A Broad Portfolio Of SKU's **Ready To Launch** - We Understand That Gut-Health Is Key To A Healthy 5-HT2A Serotonin Response. We Use Patented & Clinically Validated Ingredients Giving Consumers Need-State Solutions w/ FDA Approved Functional Product Claims.

We Are Leveraging Our **Extensive Innovation & Manufacturing Experience** & Offering Disruptive Delivery Formats like; Elixirs, Chocolate, Fermented Tea & Coffee Beverages, Soft Chews & Gummies, Fermented Tinctures, Portable Nebulizers, Etc. These Additional Product Formats Offer Blue Toad™ The Opportunity For Deeper Market Penetration (Clinical) & Our In-House Innovation & Design Capability Allows Us To Quickly Deliver On Market Trends.

INNOVATION & PARTNERSHIPS

Our Core Focus Is To Develop **Novel Ingredients & Protocols** That Have Broad Impact On Specific Need-States, & The Biological Homeostasis Of Our Customers While Also Modulating 5-HT2A, CB1 CB2/ GPR55/ TRPV1 (& Other) Receptors & Their Binding Molecules. These Improvements Include Balancing Of The Glutamatergic & ECS Systems, Efficacy Of Receptors/Agonists, Speed To Action, Long Term Potentiation (LTP), Bioavailability, Etc. Key Areas Of R&D Are Effective Delivery Formats, Co-Extraction, **Fermentation & Metabolites**, Use Of Botanicals For Full Entourage Effects, Effective Need-State Stacks, Specific Myco Strains (ie: **Amanita Muscaria**) & Their Whole-Plant Constituents For Maximum Therapeutic Outcomes.

Our Research Partner, ISU (Idaho State University) **Psychopharmacology Lab**, Is A Well Equipped State-Of-The-Art Zebrafish Preclinical Drug Discovery Lab. Zebrafish Are Valuable Biomedical Models & Our ISU Lab Is Able To Run Hundreds Of Protocols Per Day To Ensure Speed To Outcome. ISU's Initial Research Grant Has Already Been Filed.



OMNICHANNEL SALES & MARKETING STRATEGY

We Are Capitalizing On Our **Channel Experience** While Putting A Heavy Emphasis on DTC Strategies (Email, Micro-Ambassadors, SEO, Amazon, FAIRE, Etc.), As Well As Wellness Channels; 19,000 Clinics & Spas, 2,700 Outpatient Clinics, 300K MD Practices, 6K ND Practices, & 70K Chiropractic Offices. We are ready to activate the brand with the support of our world-renown brand & media partners **Smash Brand® & Stella Rising®.**

WE ARE VERY DIFFERENT

- Early Stage CPG Revenue Driven
- Parallel Path Of Drug Discovery
- Post Clinical Legal Botanical Microdose Products
- ISU University Research Partnership
- Decades Of Innovation & Operating Experience



BUSINESS PROFILE

BLUE TOAD BOTANICALS INC.



INDUSTRY

Food & Beverage/ Psychedelic Microdosing

Y1 HEAD COUNT

5

FOUNDED

3.15.2021

CORPORATE & INNOVATION LAB

3100 N Lakeharbor Lane
Suite 160
Boise Idaho 83703

PHONE

800.732.0472

WEBSITE

www.BlueToadBotanicals.com

C-LEVEL LEADERSHIP

Paul Frantellizzi - Founder/ CEO/ CINO
Pamela Peters - Co-Founder/ COO
Rem Fox - CFO
*Strong Advisory Board

KEY CONTACT

Paul Frantellizzi
Paul@BlueToadBotanicals.com
208.914.1015

CORPORATE STRUCTURE

Delaware C-Corporation

FUNDING STAGE

Pre-Revenue Seed Round

FOUNDER CAPITAL

\$250K +

MONTHLY BURN

\$15,000

CURRENT WEFUNDER ROUND

\$100 Minimum Investment/ \$500k Maximum Raise

INVESTMENT VEHICLE

Convertible Note

TERMS

5% @ 36 Months

CONVERSION VALUATION CAP

\$5mm

DISCOUNT ON CONVERSION

20%

DEBT

None

CURRENT CAP TABLE

Founders Equity - 82.5%
Employee Pool - 10%
Advisory Pool - 7.5%

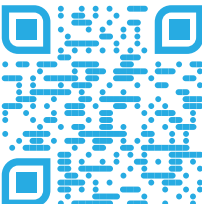
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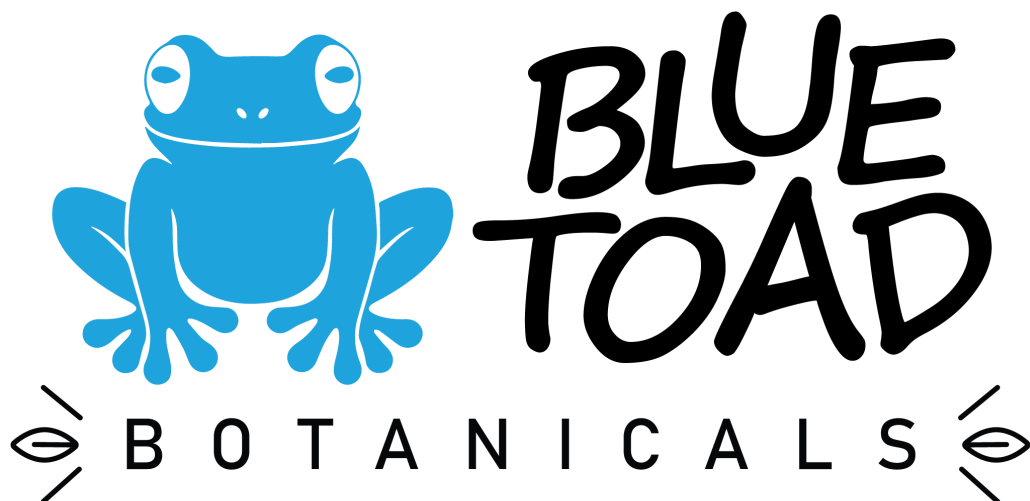
Ownership Of All Brand Domains, Trademark, Proprietary Processes & Formulas, Trade Secrets, Patents To Be Filed In Q3 2022.

EXIT

Expected In 3-5 Years Via Industry Consolidation

SCAN HERE TO REVIEW OUR WEBSITE





MICRO CPG BUSINESS PLAN

Q3 2022

Paul Frantellizzi
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This Business Plan summarizes certain information about Blue Toad Botanicals. Except where the context requires otherwise, “Company,” “we,” “us,” and “our” refer to Blue Toad Botanicals.

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Certain statements in this Business Plan constitute forward-looking statements, which may be identified by words such as “will,” “expect,” “plan,” “intend,” “anticipate,” and other words indicating that the statements are forward-looking. Such forward-looking statements are expectations only and are subject to known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company, or industry results, to differ materially from any future results, performance or achievements implied by such forward-looking statements. All of the financial information in this Business Plan is unaudited.



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1. EXECUTIVE SUMMARY

VISION & MISSION STATEMENT

Our Vision Is To Build a Brand That Truly Matters To Consumers By Gaining Their Trust In The Functional Mushroom/Wellness Space & Then Delivering Them The World's Most Impactful Legal Microdose Products.

"Blue Toad Is A Functional-Mushroom Brand That Offers Consumers Simple, Effective, & Fun Solutions For Their Lifelong Health Journey."

Blue Toad Botanicals™ is a Boise-based, award-winning, and extremely disruptive team of industry professionals with decades of functional-food, supplement, and CPG manufacturing experience. The company was founded in early 2021 and is currently well positioned to be the next big brand in the soon-to-be \$50+ Billion* dollar functional mushroom/wellness industry. Our food system has been broken for decades & consequently two generations of consumers have been suffering with systemic Metabolic Syndrome health issues. Our core team strengths in functional-food and innovation allows us to address these issues in a manner that our competitors (OM, Four Sigmatic, FreshCap, Laird Superfoods, Mud/Wtr) have missed - Flavor & FDA Approved Patented Ingredients.

We are taking an Omnichannel approach & we are scheduled to launch our initial product line in Q2 2022, focusing on consumer needs (Immunity, Collagen, PMS, Anxiety, Sleep, etc.) in multiple DTC channels via consumer-insight-driven social media marketing. Blue Toad™ will be delivering SKUs in various convenience formats (powder blends, tea sachets, capsules (phase II), functional-foods (snack bars, chocolate), & RTD beverages,) based on current consumer trends & demands. Our key Blue Toad™ differentiators are "Proven Functionality, Taste, & Brand". We have the experience to deliver a quality product, we have been developing great tasting functional-foods for 15+ years, and we believe our brand is **FUN** and on-point.

Blue Toad Botanicals™ is a startup/ pre-revenue operation with two veteran-entrepreneur founders who have invested ~\$200K+ to date establishing our unique brand, IP (including proprietary processes/ formulas, domains & our initial trademark/brand mark), corporate office, **Functional Food Innovation Lab™**, and our infrastructure from operations to finance. We currently have 4 employees, including founders.

2. INNOVATION & PRODUCTS

Blue Toad products are extremely disruptive and unique to the functional mushroom space - our Chief Innovation Officer, Paul Frantellizzi, has brought his 15+ years of functional-food, hemp, and mushroom innovation experience to the Blue Toad™ brand. As mentioned above, taste is paramount to our team and brand, but we also add an additional level of differentiation to our products - **Patented & Clinically-Tested** function ingredients with FDA approved need-state claims. An example of this is adding **DracoBelle NU™** Moldavian Dragonhead Extract to our Collagen Booster blend, where we are already using collagen amino acids, Tremella mushrooms, silica, etc. **DracoBelle NU™** is a clinically-tested and approved ingredient that is **PROVEN** to support collagen production.

As a brand, we focus on overall wellness or "homeostasis" by supporting the Endocannabinoid System (ECS) using cannabimimetic plants (black pepper, vanilla, mushrooms, clove, etc.), the gut (we are the only brand in the space using BIOHM® probiotics that also uses fungi to support overall gut balance), whole plant extracts, various mushroom extracts, and a portfolio of proprietary ingredients/ formulas (Neuro**AEA™**, Omega**AEA™**, Cell**NOURISH™**, Body**NOURISH™**, Canna**NOURISH®**, Fruit**NOURISH™**, etc.). Our product mission is creating "Need-State" consumer solutions with speed-to-action outcomes.

THE FUNCTIONAL FOOD INNOVATION LAB™

We have built our in-house Functional Food Innovation Lab™ that serves as our testing ground for new formulas, delivery formats, small batch production for pre-launch testing, and much more. The lab gives us a speed-to-market advantage that can cut months off of a typical product launch timeline.



***FUNCTIONAL FOOD INNOVATION LAB™**

INNOVATION PRINCIPLES & OBJECTIVES

Our core focus is to develop novel ingredients & protocols that have broad impact on specific need-states, and the biological homeostasis of our consumers, while also modulating 5-HT_{2A}, CB₁/ CB₂/ GPR55/ TRPV1 (and other) receptors & their binding molecules. These improvements include balancing of the glutamatergic & ECS systems, efficacy of receptors/agonists, speed to action, long term potentiation (LTP), bioavailability, etc. Key areas of R&D are effective delivery formats, co-extraction, fermentation & metabolites, use of botanicals for a full entourage effect, effective need-state stacks, specific myco strains & their whole plant constituents for maximum therapeutic outcomes.

Our tools (plants & fungi) are based in both current science as well as the principles of Ayurvedic medicine, they include: organic botanicals, psilocybin, additional alkaloids (baeocystin, norbaeocystin, β -carbolines, aeruginascin, norpsilocin and psilocin), neurotransmitter anandamide/AEA, fatty acids, terpenes, enzymes, theobromine, FAAH inhibitors, GABA, glutamate, and many more. Our research partner, ISU's (Idaho State University) Psychopharmacology Lab, is capable of handling Schedule 1 Drugs (Psilocybin, MDMA, 5 MEO-DMT) & is a well equipped state-of-the-art Zebrafish Preclinical Drug Discovery Lab. Zebrafish are valuable biomedical models & our ISU lab will be able to run literally hundreds of protocols per day to ensure speed to outcome.

Our **CEO and Chief Innovation Officer, Paul Frantellizzi** has developed some of the natural/ wellness industry's best products for some of the largest CPG brand over the past 15+ years - these include; Kroger, Garden of Life, Life Extension, Melaleuca, Onnit Nutrition, Labrada Sport Nutrition, Usanna, Dr. Mercola, Walmart, and many more. This experience plays an important role in our ability to compete within this space.

2022 CONSUMER PRODUCTS

Below is a look at what Blue Toad™ has ready to launch in Phase I & II (we have over 200 products/ in-house formulas ready as the market demands). We believe that our Need-State products are extremely unique and will compete well with brands like OM, Four Sigmatic, etc. Each product is disruptive and highly differentiated from existing market competitors when appropriately utilizing ShroomNOURISH™, CellNOURISH™, OmegaAEA™, blends. Our products are smart, effective, fun, and they directly address current consumer needs. We are initiating two eco-friendly campaigns to garner consumer interest and acceptance; Stainless Steel Scoop replacement for plastic scoops, and aluminum Powder Pals to support traveling/convenience with Blue Toad™ powders without film packaging. We are also costing-out biodegradable film packaging to use in future launches.

WHY BLUE TOAD?

- We Are Different - Phase I We Deliver **Functional Retail Products That Simply Work.**
- We Understand That **Gut-Health** Is Key To A Healthy 5-HT2A Serotonin Response.
- We Use **Patented & Clinically Validated** Ingredients Giving Consumers Effective **Need-State Solutions w/ FDA Approved Functional Product Claims.**
- We Are Driving NextGen Innovation With **Need-State Stacks & Legal Microdose Protocols.**

FUNCTIONALITY & BRAND

Microdose "Need-State" Capsule Supplements



 Trust The Toad™

WE HAVE BEEN HERE BEFORE.

- We're Leveraging Our Extensive **Innovation, Manufacturing & Retail Experience.**
- We're Offering **Disruptive Category Formats:** Tinctures, Chocolate, RTD Beverages/ Shots.
- These Additional Product Formats Offer
- Blue Toad™ The Opportunity For Deeper **Market Penetration.**
- Our In-House Innovation & Design Capability Allows Us To Quickly **Deliver On Market Trends.**

DTC/ RETAIL EXPERIENCE

Multiple Delivery Formats - Capsules, Tinctures, Chocolate, Gummies, etc.



Functional Beverage Boosters



 Trust The Toad™

BLUE TOAD MICRO PLAN 2022

3. MARKET OPPORTUNITY

The Blue Toad™ team has spent the last 15+ years researching and engaging the functional-food & mushroom market via internal data-driven research, product development, and working with Mordor Intelligence, Allied Market Research, Amazon, etc. Our team was first to market with a Vitamin-D Mushroom Chocolate Bar - we have a keen understanding of current market dynamics and drivers, and we are well positioned to capture a sizable piece of the coming \$50+ Billion global market that is projected to materialize through 2027.

Mushrooms are edible fungi that are rich in riboflavin, potassium, Vitamin D, selenium, and many other beneficial nutrients such as vitamins & antioxidants. These are alternative foods for flexitarians and vegetarians who satisfy the needs of health-conscious consumers. Growing commercial mushroom consumption in supermarkets, restaurants, hotels and cafeterias is also expected to boost market demand from 2018 to 2026. Increased demand for meat substitutes followed by increasing consumer preference for vegan food are other factors that are expected to increase market demand for the mushroom market.

KEY DRIVERS & OPPORTUNITIES THAT WE BELIEVE WILL AFFECT MARKET & BRAND OUTCOMES

- Our Food System Is Broken. Decades Of Highly Processed Foods, Mono-Crop Farming, Trans Fats, & High Sugar Content, Is Responsible For Creating A Culture With A Multitude Of Health Issues (Diabetes, Obesity, Heart Disease, etc.).
- In Response, Many Wellness Brands Have Provided Consumers With Healthier & More Natural Food/Snack Options, Generating \$ Billions in Category Revenue.
- The First Wave Of Functional Mushroom Brands Focused On Marketing & Functionality & Have Missed The Opportunity To Deliver On Taste & Patented Functionality (ie: FDA Approved, Clinically Tested Ingredients That Have Functional Claims).
- Blue Toad Solves this Problem With Great Tasting & Highly-Functional Mushroom Products. We Expect To Lead The Category With The Coming Wave Of Savvy Wellness Consumers Who Will Demand Great Tasting Products As The Category Matures.
- During the forecasted period (2020-2025), The Demand For Medicinal Mushrooms is Expected To Increase Significantly, As These Mushrooms Are Being Incorporated Into Various Functional-Foods & Beverages.
- Relaxation is a key need-state with 82% of Americans agree that reducing stress is a priority.*****
- Immunity need-state is in the spotlight as consumers seek to proactively build protection against COVID-19.*****
- Community connection rewards companies who support social causes that uplift communities will win.*****

KEY INDUSTRY STATISTICS

- \$33.5 Billion Mushroom Market In 2019*
- Estimated To Be \$50+ Billion By 2028*
- Estimated 9.3% CAGR*
- 180 Million Consumers Use/Drink Smoothies** (*Blue Toad Has Smoothie Boosters with Mushrooms*)
- 450 Million Cups Of Coffee Are Consumed Daily*** (*Blue Toad Has Coffee Boosters with Mushrooms*)
- There is Strong Growth In The Emerging Functional Mushroom Sector (F&B, Dietary Supplements, etc.)****
- Mordor Intelligence® States That The US Functional Mushroom Market Has NO Dominant Players****
- Industry Metrics Show That Collagen Market Penetration In North America Is Still Only .7% Of Market Value*****

*AlliedMarketResearch.com Data 2021

**Nutritional Outlook Data 2021

***NCAUSA.org Data 2020

****Mordorintelligence.com Data 2021

*****Databridgemarketresearch.com Data 2021

*****Pbleiner.com/en/collagen-whitepaper Data 2021

*****Brightfieldgroup.com Data 2021

4. CONSUMER & MARKETING STRATEGIES

At Blue Toad Botanicals™, we know who our customers are, and pride ourselves on delivering marketing campaigns and content that appeals directly to our market. The foundation of our marketing focuses on identifying targeted consumer profiles, known as customer avatars, that have shown buying power and interest in the functional wellness and mushroom space. We will execute this by spending the time and budget to identify our true customer avatars, and then focusing our content and marketing tactics around these consumer profiles. By targeting several focused customer avatars rather than a broad market, we will be advertising to consumers that will connect with the brand long term, leading to increased lifetime value and higher ROI.

The marketing strategy for Blue Toad Botanicals™ will focus on moving these targeted customer profiles through our customer journey using a variety of campaigns and marketing tactics. While individual campaigns or pieces of content may seem trivial when looked at standing alone, each marketing tactic used plays a key role in moving the potential customer through the overall customer journey. We will achieve this strategy by using a combination of marketing channels and platforms to create an **Omnichannel** experience for consumers. We want to be driving brand awareness with as many different platforms as possible to fill the opening stage of the customer journey. While our strategy will focus on driving a high percentage of revenue through DTC channels (WooCommerce, Amazon), we recognize the importance of adding another touchpoint for consumers by aggressively pursuing retail shelf space in coffee shops and local food markets.

Our marketing will evolve based on extensive analytics and run on a campaign-based schedule. We will run overarching multi-channel campaigns that include paid advertising, email marketing, social media, content, and more. Each of these campaigns will be tracked and used to optimize our tactics and strategies going forward. Our overall goal is to provide a seamless and personalized experience for each customer, from the time they first hear about Blue Toad™, all the way up to the point where they become advocates for the brand. Below is a brief breakdown of how each channel and platform will be used in conjunction with each other in our overall strategy to move users along the customer journey.

DIGITAL MARKETING OUTLINE

- **Focused Customer Avatars**
Detailed Customer Insights & Profiles Allow Us To Hyper-Focus Our Marketing And Content for Our Target Market.
- **Detailed Customer Journey**
Understanding How Customers Interact With Our Brand Allows Us to Optimize Our Customer Journey
- **Campaign Driven Marketing Schedule**
Our Marketing Will Be Driven By Campaigns That Run Across Multiple Channels Simultaneously
- **Emphasis on Analytics and Optimization**
Using Advanced Data Tracking and Analytics & KPI's, We Constantly Optimize Each Stage of Our Campaigns And Continue To Replicate What Works
- **Personalized Customer Engagement**
Our Marketing Doesn't Stop At The Sale. Personalized Engagement Drives Increased Lifetime Value - Personalization, Impeccable Support/ Customer Service, Event Triggering, Advocacy, Referrals, Etc.
- **Maximizing Lifetime Value**
By Maximizing the Lifetime Value of Each Customer, We Can Spend More To Acquire These Customers Initially. We Are Currently Building Out A Plan To Add Lifetime Value **For** Our Customers By Utilizing Our Crypto Tokens As Incremental Rewards Based On Purchasing Volumes

OUR MARKETING MIX

- Lead Generation
- Email
- SEO
- Social Media Presence
- In-Person Events

WE ARE PASSIONATE ABOUT THE CUSTOMER JOURNEY

Aware

Customers become aware of our brand and products through social media shares, giveaways, organic content, word of mouth, seeing The Toad, seeing our paid ads, and more.

Engage

Customers will engage with our brand for the first time by reading a piece of content, consuming a social media post, watching a video of ours, trying a product from a friend, being contacted on social media, clicking our ad.

Subscribe

Customers who feel value from our content and connect to our brand will then subscribe to Blue Toad by either following a CTA from our content to opt-in to our email list or by following us on social media such as Insta. This stage also involves moving followers into email leads, strengthening their status as subscribers.

Convert

Subscribers will convert into customers (First Sale) at this stage by following a CTA to buy a Blue Toad™ product. This process will take a different amount of follow up and impressions depending on the customer. These CTAs will be issued through social media posts, email campaigns, special deals, direct contact, and more.

Excite

We will excite customers at this stage (Post Sale) with top of a line consumer experience. After ordering, they will receive the standard confirmation email, as well as a delayed thank you email sequence that is written more personalized. Emails are sent to update shipping and delivery. Upon delivery, each package will be complete with a personalized note for the customer. If we have the customer on social media, we will then send them a thank you video well.

Ascend

We will ascend our customers at this stage through our amazing products, enhanced community engagement, and customer service. Campaigns in this segment include “Toad Customer of The Month”, elevated content creation, personalized reach out and interaction, asking for reviews, supplying the customer with additional product options, reposting customer photos, and more. At this stage, we will encourage customers to try a second product and move them along the value ladder to one of our subscription products.

Advocate

At this stage, the customer has purchased 5 or more orders, and is passionate and advocating for the brand and we continue to support their journey with relevant products, free 3rd order gift (T-Shirt), updated content, personalized outreach, and more personal interaction with the brand and the team.

Promote

Customers at this stage become fully immersed in the culture of the brand and actively promote the brand to their friends and family. Getting customers to this stage will truly be about making an impact in their life, and inspiring them to want to help others experience the same evolution.

SAMPLE MARKETING CAMPAIGN OVERVIEW

“Boost Your Coffee” is a marketing campaign created by Blue Toad Botanicals that will launch our first two products, “Lion’s Mane and Chaga Coffee Booster” and “Vanilla Plant Collagen Creamer”. The marketing campaign is a focused digital strategy that is separated into two phases.

Phase I of the campaign will focus on awareness and lead generation. This will be done through paid ads and organic content pushed across multiple channels. Organically, we will be generating awareness and engagement through our organic content campaign. We will use specific calls to action within this content, as well as ad retargeting, to move as many customers as possible along their journey into subscribers of our brand. This will be done through lead generation campaigns, social media community building, brand awareness ads, and organic promotion of content.

Phase II of the campaign will focus on moving these subscribers into the customer phase by converting them on one of our initial launch products. This will be done through email blasts, retargeted ads, and direct social outreach. The goal of this half of the campaign will be to drive sales from our generated leads. All the lead generation and community building activities of phase 1 will continue through Phase II. In order to track the results of this campaign, we have goals and KPIs below. These goals and metrics will allow us to track exactly how the campaign is performing in various different areas.

CAMPAIGN GOALS AND METRICS

Date: Q1 2022

Goals

- Obtain Leads From Our Target Market (400 Emails)
- Drive Traffic to Blue Toad Botanicals Website (5000 Visitors)
- Drive Community Engagement (25 Tagged Posts)
- Generate Sales From New Customers (Sell 100 Total Bags)

KPI's

- Cost Per Lead (CPL)
- Social Ads Cost Per Click (CPC)
- Website Traffic - Unique Visitors
- Total Sales
- New Customers
- Customer Acquisition Cost (CAC)
- Return On Investment (ROI)

Analytic Sources for Reporting

- Google Analytics and Jetpack for Website Traffic.
- WooCommerce for Total Sales and New Customers.
- Facebook/Pinterest/TikTok Reports for Cost per Click Reporting.
- In House Data Spreadsheet for all other Metrics.

Y1 Campaign Budget

- \$160K

TARGET MARKET - CUSTOMER AVATARS

Our target market for this specific campaign focuses on two demographics that are wellness enthusiasts & coffee drinkers & also open to new brands & wellness products. We created a detailed customer avatar for each one of these target markets, & the full breakdowns of the customer avatars are attached to the end of this document. This detailed picture of these avatars allow us to hyper focus our marketing & creative content. These avatars will be used to build custom audiences for ad targeting. Below is a each Avatar:



DRIVEN DAVE

- **Age:** 28-33
- **Gender:** Male
- **Marital Status:** Married
- **# of Children:** One Boy, age 3
- **Location:** Austin, Texas
- **Occupation:** Tech Sales
- **Job Title:** Regional Sales Rep
- **Annual Income:** \$135,000
- **Education Level:** College Degree
- **Interests:** Biohacking, Entrepreneurship, Clean Eating, Health



NATURAL NATALIE

- **Age:** 28-34
- **Gender:** Female
- **Marital Status:** Single
- **# of Children:** 1
- **Location:** Boulder, Colorado
- **Occupation:** Digital Marketing/Communication
- **Job Title:** Marketing Specialist at Celestial Seasonings Tea
- **Annual Income (House):** \$55,000
- **Education Level:** College Degree
- **Interests:** Clean Living, Yoga, Outdoors & Camping, Vegetarian



BRANDING & CUSTOMER JOURNEY



5. COMPETITIVE LANDSCAPE

Although there are many players that would be considered direct competitors (OM, Four Sigmatic, FreshCap, MudWtr, Laird Superfoods, RealMushrooms, etc.), nobody can claim much more than single-digit market share and the size of the industry “pie” is increasing rapidly****. The current brand landscape has a few category leaders, and then a long list of smaller players - no brand is currently “standing out” due to this fragmentation, as well as the fast paced market growth. Market estimates predict (Allied, Mordor, Nutritional Outlook) a \$50+ billion market by 2027 and we feel this is a massive opportunity to build the next big BRAND that is not only different in our values, messaging, how we engage consumers, but also in our ability to deliver consumer driven products that simply work. With the estimated \$20+ Billion in category growth expected over the next 5-7 years, & the many new consumers coming to market in the next 24-36 months, most will have no brand loyalty. We are an experienced team that understands the regulatory & structure/ function claim challenges, GMP demands, consumer expectations, as well as our ability to innovate quickly and deliver on taste - we believe that our brand & team are well positioned to garner a sizable market share.

GLOBAL MARKET SIZE

- \$33.5 Billion Mushroom Market In 2019*

POTENTIAL US MARKET SIZE

- \$50+ Billion Functional Mushroom Market Expected in 2027* *(Estimated To Be ~20% Of The Global Market w Only .2% Penetration)*

EXPECTED GROWTH

- Estimated To Be \$53.3 Billion By 2027*
- Estimated 9.3% CAGR*
- Databridge Estimates \$500+ Billion in 2028* *(We Believe This Estimate Is Extremely Generous, But Indicative Of The Potential)*

CATEGORY OPPORTUNITIES

- Natural Foods/ Wellness -180 Million Consumers Use/Drink Smoothies**
- Coffee Industry (B2B & B2C) - 450 Million Cups Of Coffee Are Consumed Daily*** *(PsillyBRAIN™ Coffee Booster)*
- Wellness - Emerging Growth In Functional Mushroom Supplements (PsillyPAIN™, PsillyMIGRAINE™, PsillyMOOD™, etc.)
- We Are Targeting the 300,000+ private MD/ND/Clinics Across The USA

MARKET MATURITY

- The Broader Mushroom Market Has Been Growing For Decades, But The Functional Mushroom Sector Is Virtually New, & Mordor Intelligence® States That The US Functional Mushroom Market Currently Has NO Dominant Players****

AVERAGE SRP & MARGIN

- Average CPG SRP is \$27.95 - \$49.95. While There Is A Broad Selection Of SKU's Within The Functional Mushroom Category, We Found The Sweet Spot/ SPR & Consumer Expectation is ~\$24.95 (Our Single SKU Powders)

BLUE TOAD COMPETITIVE ADVANTAGES

- We Are Unique In That We Are Using Patented, Clinically Tested & FDA Approved Functional Ingredients
- We Focus Heavily On Flavor, Pulling From Our 15+ Years Of Innovation Experience & Manufacturing
- With In-House Innovation, We Are Able To Move Quickly (Weeks) On Market Trends/ Consumer Demands
- Our Brand Is On-Trend, Fun, Engaging, & Exactly What Consumers Are Looking For
- We Have Partnered With A Leading Psychopharmacology Drug Development Lab - ISU

ANANDA BIOSCIENCES™

IN PARTNERSHIP WITH THE ISU CLINICAL PSYCHOPHARMACOLOGY LAB



- Ananda Biosciences™ is working with the **Idaho State University Psychopharmacology Drug Lab** (research & grants) (One of four institutions in the USA to achieve the American Psychological Association (APA) designation) to research our novel neurotransmitter (**NeuroAEA™**) and continue research on novel uses of Psilocybe Cubensis strains (& **Amanita Muscaria**) to modulate immune response, gut microbiota, mood, serotonin system response, memory acquisition, PTSD, etc., including our **PsillyBRAIN™** & **NeuroCYBIN™** botanical/psilocybin stacks.
- **NeuroAEA™** is a Bioavailable Fatty-Acid Neurotransmitter stack that combines a key fatty-acid neurotransmitter N-arachidonylethanolamine (Anandamide/AEA) with the terpene β-caryophyllene & Nutmeg Oleoresin. Our clinical research outcomes from this NDI are focused on Pain & Immune Modulation, PTSD, Mood Enhancement, Inflammation, & Neural Signaling. This novel ingredient could have massive clinical implications.
- ISU's lab is capable of handling Schedule 1 Drugs (Psilocybin, MDMA, 5 MEo-DMT) & is a well equipped state-of-the-art Zebrafish Preclinical Drug Discovery Lab. Zebrafish are valuable biomedical models & our ISU lab will be able to run literally hundreds of protocols per day to ensure speed to outcome.



DR. ERIC SILK
Ph.D., M.A., M.S.
Clinical Associate Professor
ISU College of Pharmacy
Director Clinical Psychopharmacology

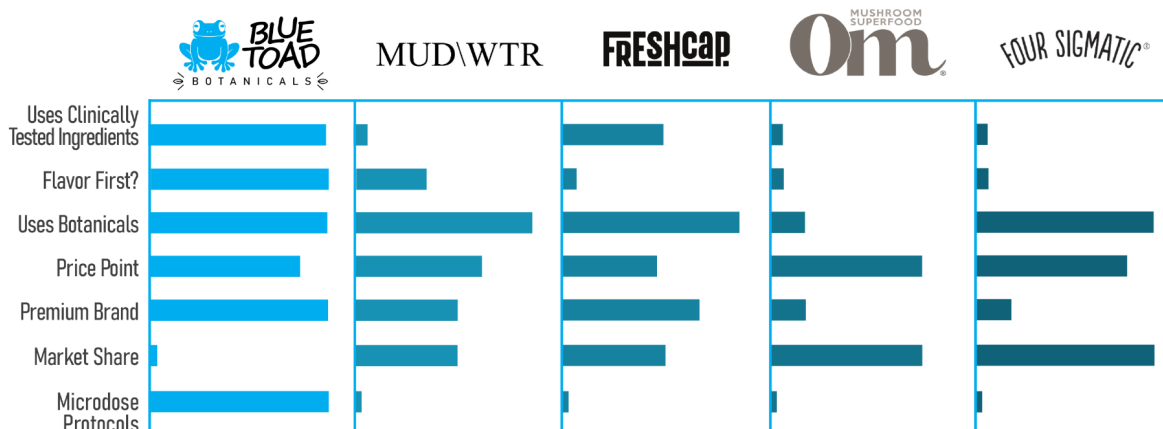


Dr. GUSTAVO GONZALEZ-CUEVAS
Ph.D. Neuroscience
Associate Professor
ISU College of Pharmacy
Department of Clinical Psychopharmacology



*Ananda Biosciences™ Is The Innovation Arm Of Blue Toad Botanicals™ Inc.

CPG MARKET COMPETITION



Mushroom Momentum - 2021

"Mushrooms are weaving their mycelium into everything from protein powders to immune-boosting supplements to skin care products."



6. CHANNEL STRATEGY

With consumers becoming more and more disengaged with traditional brick and mortar retail, and demanding a “better experience” with brands, our channel strategy is simple and direct. We will execute a robust Amazon, FAIRE, BUBBLE, & DTC campaign focusing on appropriately large marketing spends (psychographic vs purely demographic) to capture customers (and their data) and engage via the social media and content mediums that we will deploy. We believe the ability to scale at the velocity that the Functional Mushroom industry is moving is imperative, and driving sales through DTC is the most effective and robust means to our financial and brand goals. To balance the DTC approach, we will also focus on selling directly into the 300K+ ND, MD, Outpatient Clinics, Chiropractic Offices, etc. in the US.

Blue Toad™ is placing an initial 70% focus on our B2C or Direct To Consumer channels - they are our own Wordpress/ WooCommerce website where we will be directing traffic as per our marketing plan (Lead Generation, Email Campaigns, SEO, Funnels, Social Media, In-Person Events, Etc.), & we are ready to activate the brand with the support of our world-renown brand & media partners **Smash Brand® & Stella Rising®**.

Our B2B campaigns will be driven by direct email, in-office promos, direct sales, etc., with a robust and easy “buy-in” strategy for the doctors & clinics.



OUR PATH TO MARKET



We Will Use A Combination Of Marketing Channels, Platforms & Tools To Create A True **Omnichannel** Experience For Our Customers.



We Are 100% Customer Satisfaction & Culture Driven



*The United States Has Over 19,000 Wellness Clinics & Spas, 2,700 Outpatient Clinics, 230,000 Physician Practices, 70,000 Chiropractic Offices, & 6,000 Naturopathic Doctors.



Hybrid Sales Strategy - DTC + Clinics + Private Practice

DTC ACTIVATION



CLINICS, MD/ND & CHIRO OFFICES



SRP'S: \$39.95 - \$49.95
GROSS DTC MARGINS: 70%+

DEDICATED THERAPEUTIC CHANNELS
WHOLESALE: \$23.97 - \$29.975
WHOLESALE MARGINS: 40%+



Trust The Toad™

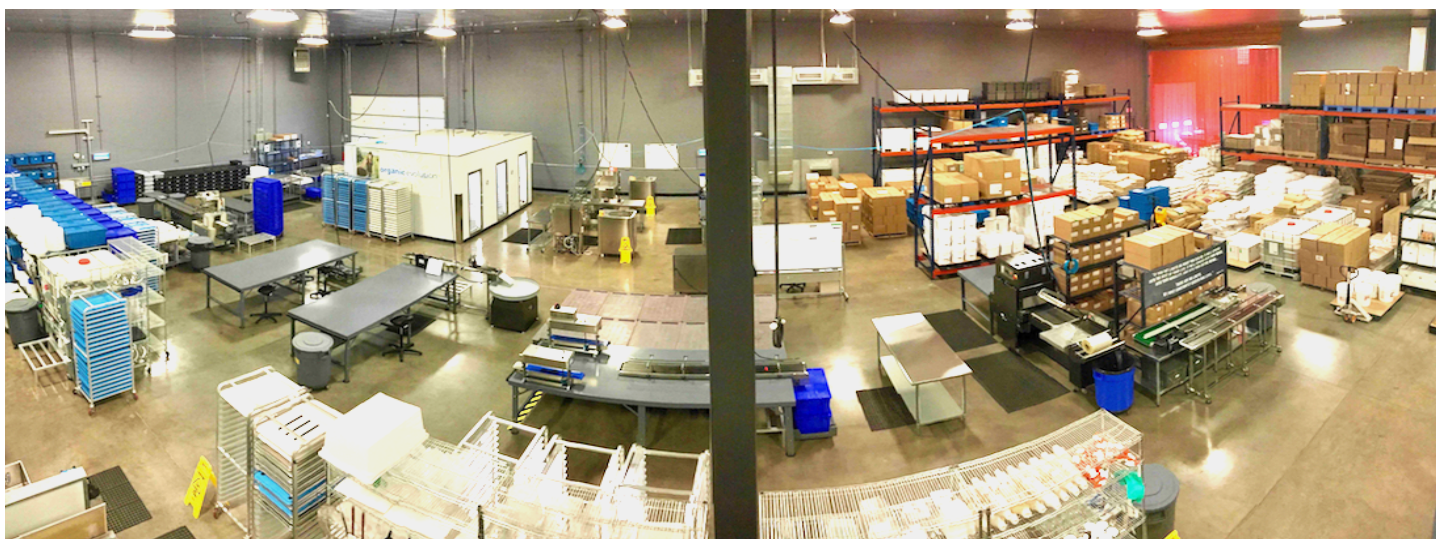
Data References

*www.thegoodbody.com/chiropractic-statistics-facts
*www.cbisworld.com/industry-statistics
*www.naturopathic.org



7. OPERATIONS & MANUFACTURING

The Blue Toad™ team will utilize its 15+ year history in the functional-food, supplement, and CPG manufacturing space to streamline our operations and cGMP manufacturing outcomes. Below is our last facility that was cGMP, Organic, Kosher, FDA, etc., certified - we know innovation & manufacturing. We have created strategic partnerships with key vendors (supply chain and co-manufacturers) to ensure that we stay focused on product innovation, brand development and execution. While we will depend on our advisors for critical information and industry direction, our internal operations and quality teams will manage and oversee all processes, audits, product runs, quality checks, redundancy, and regulatory compliance from our corporate headquarters in Boise ID. Running lean and smart, while building redundancy, will ensure our long-term success. We have a strict vendor audit policy and have worked with many of our suppliers for 10+ years already, ensuring quality, consistency, and pricing advantages. Our vendors are experts in their fields, and offer value to the Blue Toad™ team beyond simply manufacturing products. We are starting our co-manufacturing in our Pacific Northwest Co-Man partner facility PRC (www.prccopack.com), and as needed, we plan to expand both manufacturing and fulfillment to multiple hubs around the US and Canada to garner efficiencies across all aspects of business.



**Founders Previous Owned & Built Manufacturing Facilities*

TECHNOLOGY & INGREDIENT PARTNERS

- Ananda Biosciences™ LLC
- Nisarga Biotech® (Ayurvedic Medicine, Clinical Studies)
- NuAxon Bioscience® (Ayurvedic Medicine)
- KSM-66® Ashwagandha
- Mibelle® - Functional Ingredients
- Mushroom Harvest®
- Powder Pure® IFF
- BIOHM®
- Chroma Signet® (Blockchain/Tokens)



WORLD'S BEST ASHWAGANDHA

FROM THE ASHWAGANDHA EXPERTS. THAT'S ALL WE DO.




8. STRATEGIC OBJECTIVES & ANALYSIS

Our strategic objectives are built upon a few core business principles such as passion, integrity, honesty, hard work, and giving back to our team & community. We have set specific goals, objectives & KPI's on how we want the business to perform as well as what kind of business we ultimately want to be - Our KPI's are directly tied to our financial health (cash-on-hand, terms, AP/AR, debt, etc.) inventory, product turns, marketing spends, team health & wellness, and more.

BLUE TOAD STRENGTHS & WEAKNESSES - SWOT

SWOT ANALYSIS			
STRENGTH	WEAKNESS	OPPORTUNITY	THREATS
<ul style="list-style-type: none">• Experienced & Highly Motivated Team• We Win On Taste• We Win On Patented Functional Ingredients• A Fun & On-Trend Brand w/ Culture• We Appeal To Broad Psychographics & Many Narrow Demographics• Small Team - We Can Move FAST	<ul style="list-style-type: none">• New Brand To Market• Lack Of Capital• Capital Constraints Shorten Our Runway• As A Small Team We Are Vulnerable	<ul style="list-style-type: none">• Fast Growing Market• No Brand Leader To Date• Consumers Looking For Health Solutions• Multiple Channel Opportunities• Potential Legalization of Psilocybin• Crossover Into Many Other Categories• Expected \$50+ Billion Category in 2028	<ul style="list-style-type: none">• Lack Of Capital To Execute Full Plan• Brand Noise in Market• Shutdowns Continue To Slow Potential Growth• Negative Regulatory Position on Psilocybin• Competitors Get Aggressive With \$\$ Undercutting Our Brand• Supply Chain Delays



**We Win On Functionality, Taste & Brand*

9. FINANCIALS

Blue Toad™ anticipates achieving gross revenue of over \$25 million by the end of year three, capturing 50% of total unit sales from our DTC activities. We expect to hold ~70% gross margins across all SKUs, with net EBIDTA margin of 20+% by year three. Blue Toad's potential exit scenario is an acquisition by an established CPG brand. The overarching model for conventional companies to enter the fast growing functional-food category is via acquisition; purchase price multiples of functional-food brands typically range between 1.5 and 5 times gross revenue, depending on factors such as category growth and company profitability.

Blue Toad™ focus on DTC sales allows us to control messaging, consumer education, as well as intimately knowing our customers and their need-states. We start our launch with very conservative model expectations regarding consumer acceptance and velocity, and then increase velocity through a high-spend ratio on marketing activities. We are investing heavily in Y1 activities to drive the long-term success of the brand. We expect to run a lean operation for the business scale, putting as much margin to the bottom line over time. Our full financials are complex as we have walked through many different scenarios that would have an impact on our growth and profitability.

PRODUCT PRICING

For our first two (of eight planned) launch SKUs our COGS (raw ingredients, container, labels, labels, labor, etc.) are as follows:

BRAIN™ Coffee Booster

- COGS \$ 9.29
- SRP \$34.95
- DTC GM ~72%
- Direct Retail GM ~52%

BRAIN™ Capsule Supplement

- COGS \$ 8.25
- SRP \$49.95
- DTC GM 80+%
- Direct Retail GM 70+%

FINANCIALS - Pre-Revenue (Launching Q2 2022)

FUNDING STAGE

- Pre-Revenue Seed Investment

FUNDING TO DATE

- Founder Capital Invested: \$250K+ (IP, R&D/ Formulas, Branding, Infrastructure, Innovation Lab, CapEx.)

ASK & FUNDING GOALS

- Blue Toad™ is opening a \$2mm Pre-Seed Round/ Minimum Investment \$250K

INVESTMENT INSTRUMENT:

- Convertible Note - 5% @ 36 Months

3 YEAR P&L FORECAST

	*YEAR 1	*YEAR 2	*YEAR 3
Gross Revenue	\$1020k	\$6,572k	\$35,163k
COGS	\$336k	\$2,111k	\$11,721k
Gross Profit	\$327k	\$2,749k	\$15,869k
Operating Expenses	\$728k	\$2,630k	\$9,274k
EBIDTA	(\$141k)	\$772k	\$8,716k
NET%	-14%	12%	25%
YE Net Cash	\$382k	\$769k	\$3,933k
Average SRP	\$49.95	\$49.95	\$49.95
Gross Margins	72%	73%	75%
Customers/Transactions	22,000	144,000	771,000
Financing	\$500k	\$1,000k	\$0
Marketing Spend	\$357k	\$1,711k	\$7,572k

*In Thousands/ Assumes A \$500K Wefunder Capital Raise

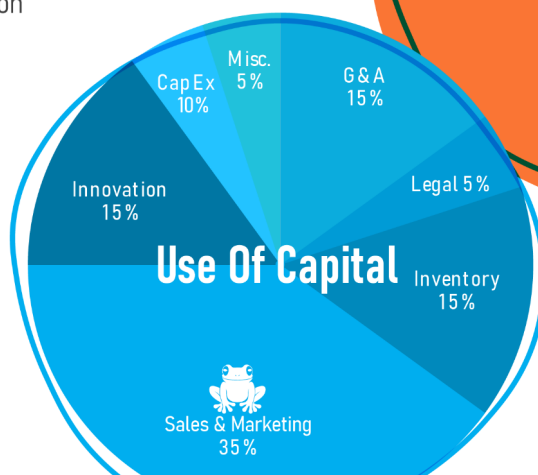
- Founders Cash In To Date: ~\$250+k
- Pre-Revenue Business
- 2022 Headcount - 4 People
- Monthly Burn \$15k



USE OF CAPITAL

USE OF CAPITAL

- Brand Activation Sales & Marketing
- Customer Acquisition & Retention
- Building A Strong Supply Chain
- CapEx For Vertical Integration
- Continuing Innovation & IP
- Operating & Legal



The Ask

Blue Toad Botanicals Inc.
Is Opening Our 2022
Pre-Seed Round



INTELLECTUAL PROPERTY

Live Trade & Design Marks in Multiple Classes

1. Cocoa**NOURISH**™
2. Superfood Chocolate®
3. Palm**NOURISH**™
4. Macro**NOURISH**®
5. Plant**SWEET**®

Trade/ Design Marks & Patents Pending or In-Process

1. Neuro**AEA**™ (Patent Filing Q2 2022)
2. Neuro**CYBIN**™ (Patent Filing TBD)
3. Neuro**AGARIC**™ (Patent Filing TBD)
4. Omega**AEA**™
5. Ananda Biosciences™
6. Blue Toad Botanicals™

TECHNOLOGY & INGREDIENT ADVISORS/ PARTNERS

1. Ananda Biosciences™ LLC (wholly owned by Founders)
2. Nisarga Biotech®
3. NuAxon Bioscience®
4. Virun Nutra-Biosciences®
5. FSOil® Hemp & Botanical Extractions
6. SOMA® Fermentation & Kombucha
7. Mibelle® Biochemistry
8. Powder Pure®
9. Tate & Lyle® Ingredients
10. ChemiNUTRA®
11. Lemur International®
12. Ioxreal® India
13. Anderson Ingredients®
14. Guzen Development®
15. SEPPIC®
16. Phynova®
17. Fungus Extract®
18. NAMMEX®

EXIT OBJECTIVES

- Possible Sale to a Strategic or Financial Buyer by 2025
- Target Valuation Multiple of 5X GR

10. COMPANY & MANAGEMENT

Blue Toad Botanicals at its core, is a team of highly accomplished CPG C-level executives with a complementary mix of backgrounds, experiences, skills, and the needed EQ to win. We are an award-winning team (NUTRACON, SSW CPG Editor's Choice Awards) - that has 40+ years of branding, innovation, functional-food manufacturing, sport nutrition, cannabis & hemp, mushrooms, & supplement experience to build and guide Blue Toad™ to success and profitably.

FOUNDING TEAM

EXPERIENCED

CROSS FUNCTIONAL FOUNDING TEAM

- 15+ Years Innovating & GMP Manufacturing For Large Scale CPG Customers Like Kroger, Garden Of Life, Onnit, Dr. Mercola, Melaleuca, USANA, Labrada, Life Extension, Walmart, Etc.
- Chief Innovation Officer/ SVP Ops for Stanley Brothers Cannabis (Founders Of Charlotte's Web Holdings - CWB).
- Award Winning Innovation Team With NUTRACON® & SSW® Editors Choice Wins For Their Groundbreaking Functional-Food Products (First-To-Market In 2011 With A Shelf Stable Pre & Probiotic Food Bar).



PAMELA PETERS
Co-Founder & COO

26 year veteran entrepreneur with startup/ bootstrap operational experience thru building and operating a 65 headcount co-manufacturing facility & national brand.



PAUL FRANTELLIZZI
Co-Founder, CEO & CINO

Award winning & disruptive entrepreneur with 40+ years experience in technology, CPG innovation, functional-foods, hemp/ cannabis & medicinal mushrooms.



FOUNDERS VALUE

- Extensive Knowledge Of The Mushroom/Psilocybin/Hemp/Cannabis Industry & The Functional-Food Category
- Years Of Experience Developing & Marketing Products To The Target Demographics
- Highly Successful Entrepreneurs Who Listen To Customer Needs & Respond With Winning Solutions
- 15+ Years Of Food-Innovation & cGMP Manufacturing For Major Clients (Garden of Life, Onnit, Kroger, Labrada, Dr. Mercola)
- Experienced C-Level Team With An In-Depth Understanding Of Successful Business Operations

COMPANY

- Current Entity - LLC (will convert to corporation prior to closing)
- Founded 3.2021
- Y1 Employees Employees - 5
- Corporate Office & Innovation Lab Located in Boise Idaho/ Ontario Oregon
- Current Cap Table - Founders own 100%

BOARD OF DIRECTORS

- **Seat #1** - Paul Frantellizzi - Founder
- **Seat #2** - Pamela Peters - Co-Founder
- **Seat #3** - *OPEN*
- **Seat #4** - *OPEN*
- **Seat #5** - *OPEN*

STRATEGIC INDUSTRY ADVISORS

- **Kai Sacher** - VP of Worldwide Innovation @ Chobani®
- **Kevin Smith** - Founder of SMASHBRAND® Brand & Design Firm
- **Rem Fox** - COO @ Behavior Imaging® Telemedicine Group
- **Meghan Kahnle** - Digital Creative Director BodyBuilding.com®
- **The Hoban Group** - Nation's Premier Hemp/ Psilocybin, Cannabusiness Law Firm
- **Chuck Watson** - President & Founder Sideaway Foods®/ Nature's Earthly Choice®
- **Brad Frazer** - Partner at Hawley Troxell LLP - IP Law Chair
- **Kimberly Stuck** - Founder of Allay® Cannabis & Psilocybin Consulting
- **Girish Soman** - Founder of Nisarga Biotech® Ayurvedic Medicines India
- **Jason P. Edwards** - Founder of NuAxon Bioscience® Inc.

11. LET'S TALK BUSINESS

KEY BUSINESS CONTACT

Paul Frantellizzi - Founder/CEO

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