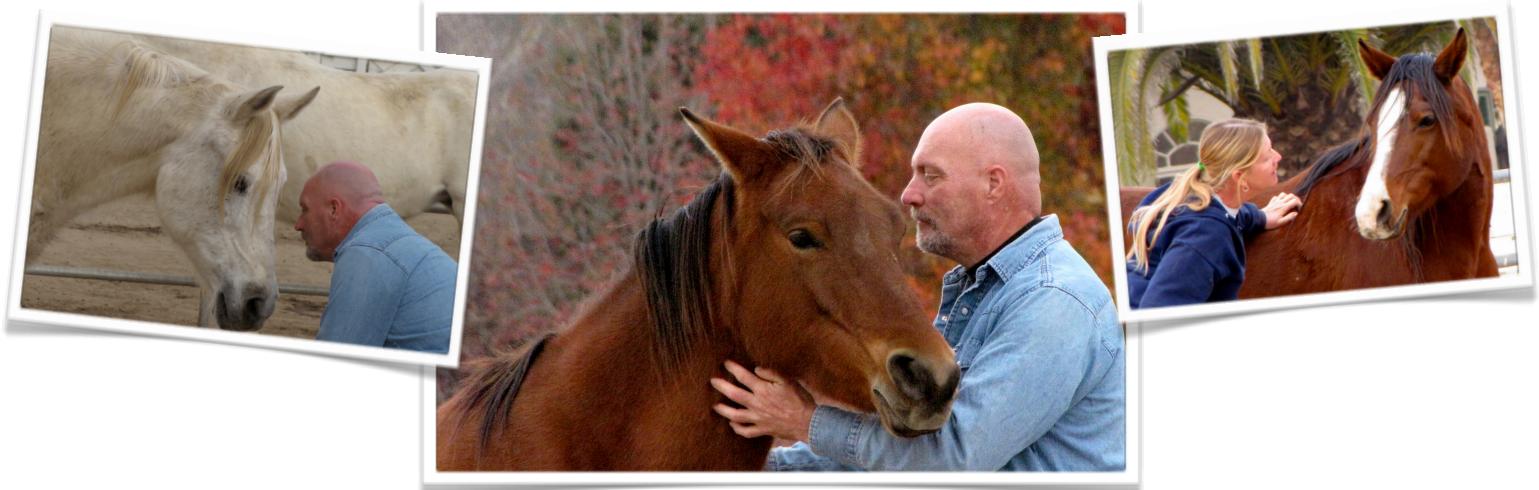


February 2010

The PEGASUS RISING Project



QUARTERLY NEWSLETTER

I am excited to send you this first edition of our Quarterly Newsletter which will serve to keep you better apprised of the current state of affairs at Pegasus!

As most of you know, on November 15, 2008, Pegasus rescued our herd of Polish Arabians from the Sacramento area and relocated them to Rancho Santa Fe, California. Since that time, we have restored our herd to good health. In addition, thanks to the collective effort of our all volunteer staff, as well as the generous donations of hundreds of donors, our Herd is now "paying it forward" via our Pilot Therapy Programs helping both active duty and retired military members who suffer from Post-Traumatic Stress Disorder and/or Traumatic Brain Injury.

2009 Year End State of Affairs/Plans & Goals for 2010

Since I came on board as President & CEO of Pegasus as of June 1, 2009, Pegasus has:

- (1) Prepared and filed all State and Federal corporate organizational filings;
- (2) Designed and launched our new and improved website (which now features a merchant account for receipt of on-line credit card donations);
- (3) Applied for and obtained our 501(c)(3) tax exempt status from both the IRS and California Franchise Tax Board;
- (4) Designed our initial Pilot Therapy Program; and
- (5) Implemented and successfully completed our Pilot Therapy Program with the initial participation of the Veterans Village of San Diego ("VVSD").



It is truly inspiring to know that the VVSD veterans are all showing marked improvements in their overall therapy/treatment plan since their participation in our Pilot Therapy Program! While there is much to be both grateful and proud of while reflecting on our 2009 accomplishments, I am far more focused on 2010 as there is much more in store for Pegasus and we cannot afford to sit back and rest on our laurels at this critical juncture in time.

In this regard, Pegasus and the VVSD met in mid January and are discussing how we can mutually ensure that Pegasus is able to provide our services to their veterans on a systematic basis so as to help as many of their veterans as is possible. In addition, Pegasus has met with staff psychologists from Camp Pendleton and, on January 28, 2010, we commenced our Pilot Therapy Program with active duty Marines who have recently returned from Iraq and Afghanistan. Once these initial sessions are completed in mid February, it is our mutual intention to custom tailor a series of equine based therapy programs for returning Camp Pendleton Marines to be implemented on a systematic basis. This has very exciting potential and I will keep you apprised as things develop with our Camp Pendleton Marines.

Please remember that Pegasus needs your continuing support in the form of monetary donations as there are substantial costs associated with these therapeutic programs as well as the ongoing maintenance of our herd. If you are able to adopt one of our herd members for just one month, it would be of tremendous help in making our mission a reality! You can learn more about our Adopt A Horse Program by visiting our website and clicking on the Adopt A Pegasus Horse Today photograph directly below our red heart volunteer button (or just click on this link <http://pegasusrising.org/2009/11/11/adoption/>).

Once again, thank you for your generous donations and continued interest in Pegasus and its mission to partner horses and humans for healing!

Regards,

Gary Adler

Gary Adler,
President & CEO



Glorious giving back
to a Veteran



Shanti working with a Veteran

The PEGASUS RISING Project - P.O. Box 8562, Rancho Santa Fe, CA 92067

The Pegasus Rising Project is a California nonprofit public charity with tax exempt status under Section 501(c)(3)
of the Internal Revenue Code