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Chairman's Letter

Dear Friends,

No matter where my career has taken me, my passion has always been the same – addressing injustices and advancing the health and well-being of the poor around the world. You can imagine my delight when I met Deme 23 years ago and he told me about Marta's and his vision to eliminate poverty in their home country. Subsequently, my wife, Teri, and I and our two daughters, Emilia and Sarah, have had the opportunity to know and appreciate Marta and Deme's labor of love firsthand, in countless ways.

Over the years, I have had the privilege of working with hundreds of international health and development organizations. The holistic approach Project Mercy takes to alleviate poverty is truly unique. When I think of a future for Ethiopia, I see a place where mothers and babies do not die due to the lack of skilled health care. New mothers are able to get postpartum care and the support they need to provide their baby with a healthy start. Medical care is attainable for everyone. Mothers are able to give their children healthy meals filled with protein and nutrients such as calcium. Families in the countryside have access to clean running water and electricity. Children are educated and gain fulfilling employment. Adults are able to read and write in the national language and mothers enjoy opportunities for shared decision making in their homes and additional income to help their families.

As I write this list, it is readily apparent how Project Mercy is markedly impacting the future of Ethiopia. In 2018, our supporters and volunteers made it possible to train midwives all over the country and provide education to care for postpartum women. As more expectant mothers come to us for prenatal care, reliance on our Lie-In-Wait Home for high risk pregnancies decreases. We have educated children and provided them with two meals a day. Many of the students have gone on to seek higher education. Supporters and volunteers enabled us to achieve the milestone of giving a high-milk-producing heifer to over 100 families. Together, we are truly making the future of Ethiopia brighter.

May the Lord bless us and guide us as we continue to work together to eliminate poverty and provide a brighter tomorrow. There is still much to be done. We covet your prayers, encouragement, technical input and financial support, which make it all possible.

God Bless You,

Hay Am

Gary Darmstadt, M.D. Chairman of the Board Project Mercy

President's Letter

Dear Friends,

Greetings from Ethiopia! We share the accomplishments of 2018 with acknowledgment and appreciation of your support to make it all possible. This annual report is a summary of our (yours and Project Mercy's) efforts in the past and investments in the future. For your faithfulness, encouragement, and commitment, thank you!

Every day, we are working to make the future for Ethiopians brighter and filled with hope through education, health, nutrition, vocation, and infrastructure development. Together, we are training midwives so birthing mothers and their babies in rural communities can receive proper care. We have graduated 69 midwives and 42 more are ready to graduate. With your help, we are educating over 1,600 students from pre-k to 12th grade at our school each year, while helping other schools deliver on their commitments. We are treating the healthcare needs of over 15,000 patients as well as giving employment and secondary incomes to over 300 people in Yetebon, ChaCha, and Addis Ababa.

Most importantly, we are showing the eternal hope and love that comes from our Heavenly Father. Often in trying to count and post big numbers, we miss the little and important points in life. To share a real-life example, Project Mercy opened a clinic at the school only to discover that 10 to 15 students come for care to relieve all sorts of pains. An infected toe may not seem like much in the big scheme of poor rural life...but it can keep a little girl or boy from paying attention in math class. We are now privileged to make that pain go away for a child from a poor family in remote Ethiopia. Together, we (you and Project Mercy) are renewing the heart of a nation for a brighter tomorrow.

In 2018, we were able to transform an old dairy cattle barn into a small-scale poultry farm. Today, the chicken coop houses 1,000 chickens to eventually provide eggs for our School Meal Program and additional income to community members. We will be sharing more with you in the months ahead about the impact we anticipate from the new poultry program. Stay tuned! We also were able to celebrate reaching 120 small farm households in our Dairy Cattle Breeding Program where crossbred heifers are distributed to transform families' balance of daily nutrition and monthly income.

Here is to the future! May the Lord lead and guide us as we still have a lot of work ahead of us.

Sincerely,

Bete Demeke

President

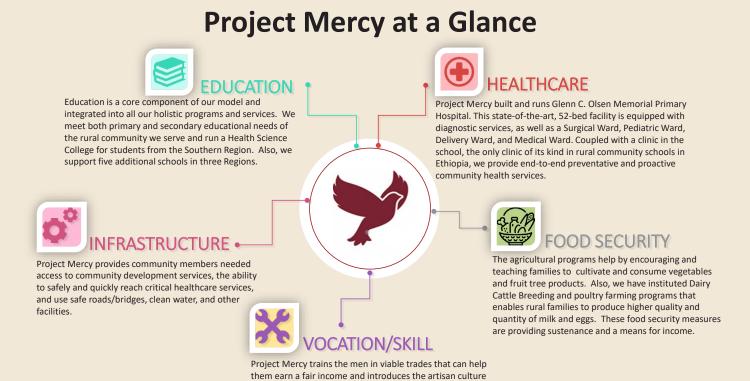
Project Mercy

Vision

The vision of Project Mercy is to renew the heart of a nation by stomping out physical and spiritual poverty by the roots.

Mission

Our mission is to transform how people live and think and build strong, selfsufficient communities in Ethiopia and beyond through new knowledge, better health, sustainable food sources and strengthened character for all people as a living example of the love of Jesus Christ.



to women through skill training and the establishment of viable associations so they can market their crafts.

Respectfully Yours,

Janet Brattain

In 1976, Janet Brattain, a mother of three in Fort Wayne, Indiana, received a call from the pastor of her church, South Wayne Baptist. He asked her if she would be willing to help an Ethiopian refugee family find a place to live and get them accustomed to living in Fort Wayne.

Janet said, "Let me pray about it and I will call you back."
" I called him back with full intention of saying 'sorry' and ended up saying 'yes', she says. "I remember hanging up and saying 'Okay Lord, this must be of you and you better help me through it'."

Janet met the family for lunch on June 25, 1976. This was the day that not only a close friendship would form between Janet and Marta, but the day God would start to answer Marta's prayer while they were escaping Ethiopia.

Janet's first memories of Marta's family was their trust in God. "They had gone through a really, really rough time and came out of it trusting even more in God than I could imagine," Janet spoke with passion resounding in her voice.

Two years later, Janet joined the board at Project Mercy as

the second secretary on the board, a position she would hold till 2008. (Years and years of board minutes have the closing, "Respectfully Yours, Janet Brattain.")

"When you become a friend and sister of Marta, you do other things, too. I really wanted to serve on Project Mercy's board, I was really interested in what was going on in Ethiopia and how we could help," Janet reflected.

She was always willing to help.

"One of the times when I was in the office (in Fort Wayne), I helped them put together a school building because we got the parts from the United States. We had to put it together to make sure that all the parts were there, because you don't just call Amazon over there and ask them to get a piece," she said with a chuckle in her voice.

Her willingness to help and her friendship with Marta led her to travel twice to Yetebon, Ethiopia (the site of Project Mercy's Compound). The first time was with Marta, not long after Ethiopia relaxed travel restrictions when the communist government fell.

"I wanted to go with Marta when

she saw that road they drove down to escape because I knew that would be a real hard thing." Janet said.

It was the road where Marta asked God, "When we are out of Ethiopia, what do you want us to do, Lord?"

On Janet's second trip with her husband (Don) and Barbara Slauter, they made chalkboards by painting boards green. Marta brought one of the older gentleman who was a leader in Yetebon over to meet Don.

The leader said, "It is good for people to come from afar to help us." Don had a version of that written in his Bible. He went to be with the Lord in 2011.

After 40 plus years, Janet is still very passionate about Project Mercy and the work in Ethiopia.

"They have done so much for the people in the Yetebon area," she affirms.

She went on to recount the accomplishments of Project Mercy from building the road to starting a school and providing women with income to support their families. Janet feels that supporting Project Mercy is doing something for the Lord.

"You are doing something for God, being His work and His hands," she said.

When asked what she would say to someone thinking about

"You are doing something for God, being His work and His hands."

including Project Mercy in their estate planning, she replied, "To a teacher, I would tell them how much their donation would impact the children in Ethiopia. The children need to learn more. If it is a nurse or doctor leaving a legacy gift towards the hospital, it would help with more rooms and capabilities that would be learned there. A farmer leaves a legacy towards raising food or another farmer raising cattle. All these things are important to us."

Thank you, Janet, for all the many years of service you have given to Project Mercy!

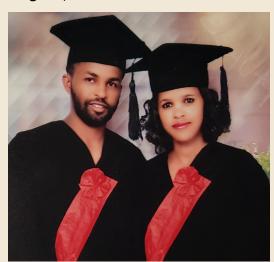


EDUCATION

WE CANNOT EDUCATE CHILDREN IF WE FIRST DO NOT GIVE THEM A CHANCE TO LIVE AS AN INFANT.

Samson and Seble

Samson and Seble were the first children to live on the compound and attend school. In 2018, they both graduated with college degrees. Today, Seble is an accountant in Addis Ababa, and Samson is an Assistant Professor at Wachemo University, Southern Region, in the School of Health.



New Headmaster at Medhane-Alem School

In 2018, our students in 10th and 12th grade had troubling test scores on their National Exams. After researching the causes for the students' performance and assessing the gaps that must be

addressed, we took action and fine-tuned personnel assignments and teaching methods. In September 2018, Dr. Zerai Hagos became the Headmaster of the Medhane-Alem school, which is pre-K to 12th grade. Dr. Hagos has a Bachelor of Arts in Social Work, a Bachelor of Pharmacy, a Master in Sociology, and a PhD in Education Administration. He came to us with 13 years of school administration experience.

Medhane-Alem School for 2018

Total Number of Students: 1,627

Pre-Kindergarten: 60 Kindergarten: 218 Grades 1-8: 1,152 Grades 9-12: 197

National Exam Students Passed:

8th Grade: 77 out of 97 10th Grade: 15 out of 42 12th Grade: 2 out of 32

Vulnerable Child Care-Yetebon

Children living on the Compound: 26

Girls: 10 Boys: 16









Health Science College Accumulated Summary

Number Currently in the Program: 42

Number of Total Graduates: 69

Number of Babies Delivered by Graduates: 7,424

Pre-Natal Consults: 13,684 Post-Natal Consults: 5,940

Number of Graduates still working in the Institution of Initial

Employment: 30 out of 31 Surveyed

*Numbers were gathered by surveying 31 out of 69 graduates of the Health Science College.

HEALTHCARE

WE CANNOT JUST TREAT THOSE IN THE HOSPITAL IF WE DO NOT PROVIDE THEIR CHILDREN WITH AN EDUCATION AND A BETTER FUTURE.

Elias: A Miracle Child

It is a rainy day here in Butajira as you wait for Shobeza to return from fetching her son from school. They arrive in a bajaj (a three-wheeled motorized taxi) and enter the suk (store) where Shobeza works. Elias, her son, is four years old and enters the suk with all the energy of any other four-year-old. He greets you and proceeds to jump on the large sacks of grain waiting to be measured out.

Elias is in kindergarten and tells you he is learning the alphabet and the names of different types of transportation. He calls his mom Shobeza, not mom. When you ask about this, Shobeza just shrugs and smiles at him. She seems to be a happy, content and proud mom of this cheeky little boy!

She goes on to share with you that Elias is a miracle baby. Almost five years ago, Shobeza was pregnant for the sixth time. All of her babies made it to 37 weeks, but then were all stillborn. (For reference, a full-term pregnancy is 40 weeks.) One day, Shobeza saw Sister Messeret at church. Sister Messeret told her about the new option at the "Mercy" Hospital, as it is known in the area. She shared about the newly built Lie-In-Wait Home for mothers with difficult pregnancies. This home is a short walk to the hospital, has a midwife in charge of the care of the women, and a phone to call the ambulance if anything happens after hours.

Elias was poorly presented in the womb for regular vaginal delivery, so a cesarean-

section birth (C-section) was scheduled and performed with no complications. The hospital staff even helped her pick out the boy's name - Elias.

Elias and Shobeza stayed at the Lie-In-Wait Home for a month after his birth to ensure healing and a smooth postpartum adjustment. She goes on to say they were the first of many families to stay and be impacted by the Lie-In-Wait Home.

The past four years, Shobeza has been an advocate for our hospital, telling all her siblings and those she meets in the market to give birth at the "Mercy" Hospital. That is remarkable in a country where only 26 percent of all Ethiopian women give birth with a trained medical professional. "I am so grateful for the care of Sister Messeret and the hospital staff," she says.

Healthcare 2018:

Number of Patient Encounters:	15,549
New Patients in 2018:	7,175
Repeat Patients:	8,374

"I am so grateful for the Care of Sister Messeret and the hospital staff."

Hospital Update

In 2018, the hospital had another record year with 677 births. Project Mercy provides all perinatal care to improve maternal-neonatal outcomes. All childbirth related services, from pre- to post-natal visits and vaccination care, are offered free of charge to families. The country has seen a trend towards utilizing medical professionals in the birthing process. Project Mercy's Hospital has experienced more of a demand for maternal service in the last several years. In the past three years alone, the number of mothers coming to Project Mercy to give birth has increased from 438 in 2016 to 677 in 2018. As more women use the pre-natal services, we have seen a decrease in admissions for the Lie-In-Wait Home for high risk pregnancies.

Cumulative patients from - 2018:

Laboratory Tests:	35,840
Total Number of Surgeries:	368
Total number of X-rays:	1,766
Total Number of Births:	677
Total Number of C-section Births:	71
Lie-In-Wait Home:	13
Health Educational In-services:	2,718



EYASU KELEDE & SOPHIA MONAGHAN



Esyasu

When Eyasu Kelede stepped off the airplane in Addis Ababa, Ethiopia, from the United States, he was returning home to serve. Eyasu is a human biology and pre-med major at Stanford. Although he spent his junior high and high school years in Las Vegas, the first decade of his life he resided in Addis Ababa, Ethiopia's capital city. Eyasu explains, "My interest in health stems from witnessing firsthand the health inequities in low income countries, such as Ethiopia, and I believe that research plays a great role in solving the health problems facing these nations."

During the summer of 2018, he studied postoperative surgical site infections at Project Mercy's Hospital. The goal of his study was to gain an understanding of the incidence rate and risk factors leading to postoperative surgical site infections in rural settings. He combed through the paper medical records to determine prior risk factors, along with

reading past research. All the research culminated into a socio-demographical questionnaire on patients undergoing major surgeries.

"Working in a primary hospital within a rural area poses its own challenges. Experiencing those challenges firsthand helped me become more flexible in my research. At Stanford, I volunteer at a nearby free clinic. There, I became accustomed to using an electronic health record system. When I came to Yetebon, I had to begin using a paper-based one. Although this was a more laborious method, I became more determined to glean relevant information from the paper-based health record system used in Ethiopia as a whole," Eyasu said about his experience.

His time in Yetebon has helped to inspire him for the future. Eyasu hopes to become not only a physician but a researcher to continue much needed studies in the developing countries.

Sophia

When Sophia Monaghan stepped off the plane in Ethiopia, her first impressions centered on the strength of the sun and the freshness of the air. The dry heat reminded her of California, where she had lived most recently. But she wasn't in California anymore.

"Each day, I marvel at God's creation," Sophia said. "I am struck by the beauty of Ethiopia. The stars are amazing and we sit at the bottom of a mountain range."

Sophia said that she "left behind the first-world life of luxury and entered a world that is more real. People don't have their phones out; people are present and caring and enjoy the art of conversation."

At age 12, when she learned about Doctors without Borders, Sophia felt her calling was to be a doctor. Over time, she realized that "there are many ways to do global work." In her junior year of college, she found her niche when she took the class Critical Issues in International Women's Health. "I learned that mental health is the greatest burden women face in developing countries," Sophia said. She began researching and blogging on the topic, and pursuing postgraduate opportunities that would allow her to explore it further. She learned about Project Mercy from one of her professors, Dr. Gary Darmstadt, a Project Mercy board member. She applied for a nine-month volunteer placement, and shortly thereafter, she boarded a plane.

Sophia arrived in Yetebon on October 8, 2017. Her primary focus has been on post-partum mothers, learning how they function emotionally after giving birth. She used a 20 question survey developed by the World Health Organization and translated into Amharic. Sister Messeret integrated the survey into the mothers' checkups 45 days after giving birth. Sophia's research from 101 mothers to date

shows that 17 percent reported four or more perinatal mood and anxiety disorders and 30 percent reported extreme fatigue. Sophia feels the results show that new mothers would benefit from some manner of emotional support. She is sharing her findings with Bete, President of Project Mercy, for further discussion.

When not working in the hospital, Sophia is likely tutoring the 29 students who live on the compound in science and math as part of the STEM (science, technology, engineering and mathematics) Club. The club meets Monday through Thursday. Sophia teaches math, biology, chemistry and physics to the older children, using demonstrations and pictures to explain concepts. Children in grades two through five are drilled in their multiplication tables. The children are now having fun, and two girls who are eight years old can recite their multiplication tables in under four minutes. The children also are learning to type on a keyboard, which they all find very exciting. Sophia also teaches English and typing to the teachers.

When she first came to Yetebon, Sophia marveled at the landscape. Now, she also marvels at the people she has met, with whom she works and lives. "It's amazing to see the cycle of women and newborn babies is the same across cultures," she said. "I feel close to the Sisters in the hospital and to my students. They are warm and welcoming. I am blessed by the time we spend together."





This has been a momentous year for the Food Security Program. We have not only launched a new program but also achieved a milestone within our Dairy Cattle Breeding Program.

The Power of One Egg

A thousand chickens arrived in Yetebon in October 2018. In the first phase, Tyson Fellows helped us set up the chicken coop and train the local staff.

The second phase of the program will follow the model in ChaCha, with distributing hens to local families. Recipients will be able to feed their families and sell the extra eggs at market. Also the eggs will be given out to pre-K and kindergarten children in the first quarter of 2019 as part of the school meal program with the goal to incorporate them in all the school meals through the eighth grade. Animal-based protein is hard to find in children's diets in Ethiopia. The nutrition dense eggs will help with brain development and reduce stunted growth in young children. Stay tuned for more updates from the new program!



Celebrated 101 and 120

In August, local dignitaries, Project Mercy staff and recipients were on hand to celebrate 101 families whose lives have been impacted by the Dairy Cattle Breeding Program. By the end of the year, the number of families in the program had reached 120. Families undergo training on how to care for a crossbred heifer. After training, they are given a six month pregnant heifer. When the baby cow is born, the family will get up to 14 liters of milk daily from the mother cow. The family will raise the calf and the mother cow on their farm.

They are able to feed their family and sell the milk byproducts at the market. Out of the profits, families are now able to afford school supplies, private school and holiday celebrations for their families. Thank you for impacting their lives.

One of the 120: Megrtu - Helping a Mom buy her Children School Supplies

Megrtu Tsega has no money to buy her children supplies for school. (Her children attend a government school,

which is free, but there are hidden costs everywhere.) The family farms a plot of land to grow beans and barley for a living. To make ends meet, her husband took a second job working for the township or the Kebele. His wages are still low in the

She so wants to give her children the best! Can you imagine her

government position.

"mother's heart" here? However, they cannot afford the basic school supplies.

Megrtu became one of the 120 families to participate in the Dairy Cattle Breeding Program. Once the heifer came to the Tsega's family home, the children were able to drink milk. Dairy products are extremely expensive and without the heifer, the family would not be able to afford this "luxury".

Today, the family has three heifers and one more on the way. Megrtu makes yogurt, butter, and a traditional cheese. She is able to feed her children and sell the extra at the market.

"It is my prayer our heifer has another heifer so we can have more milk," she stated.

Now the extra income provides her children with all the school supplies they need. She is even able to buy soap for her family so her children do not have to go to school dirty. "Soap is hard to find in my country," Megrtu affirmed.

She is just one of the 120 lives impacted by the Dairy Cattle Breeding Program.

Dairy Cattle Breeding Program 2018

Total Number in the Herd: 271
Total Number of Heifers Distributed
in 2018: 25

ın 2018: 25

Overall Total Heifers Distributed: 120 Additional Families Trained to Care for a Heifer: 50

Garden and Fruit Tree Program

Number of Saplings Distributed to Fourth Graders in the Community: 178

Type of Saplings Distributed to Community: Avocado

Project Mercy would like to challenge our supporters:

If you have never shared in financial support, if it has been a while since your last contribution, or if you are trying to commit toward giving more consistently, please consider making a Recurring Gift of \$5 a week on our website at www.ProjectMercy.org

Your consistent commitment ensures that we can continue the work in Ethiopia, providing children with school meals, paying our hospital staff, and educating the community for years to come.



Legacy Giving

Bequests and other legacy gifts through estate planning to Project Mercy can make a world of difference. You can provide an education for a student, healthcare for a family, food for an expectant mother and so much more. If you have already made these provisions, please let our office know. We would be honored to thank you today for the future you would provide those in Ethiopia.

To let us know or to get further information about legacy gifts, please contact our office:

260-747-2559 development@projectmercy.org

ADULT SKILLS

WE CANNOT JUST EDUCATE OUR CHILDREN UNLESS WE TEACH THEM TO GIVE BACK TO THEIR COMMUNITY AND PROVIDE A BETTER FUTURE.

Not Your Average Classroom

It is not your average classroom. There are no desks or chairs for the students to sit at and the blackboard is hanging on the exterior of the home with the Amharic Fidel, similar to the alphabet. The eight adult students are sitting on the dirt front porch with no chairs, just mats underneath them to protect their clothes from the mud. (It is the rainy season.) Meseret Barmolo demonstrates the proper way to wash hands before eating as she speaks in Gurage, the local tribal language. The second teacher, Mulunesh Barmolo, stands ready to take over. The two girls are teaching family and friends how to read and write in Amharic (the national language) along with

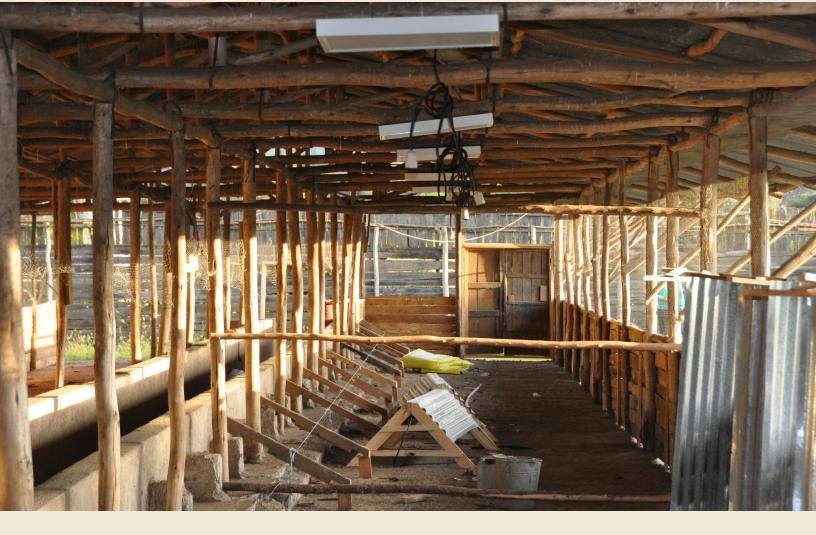
Skills Training Programs 2018

Basket Artist:	22
Bracelet Artist:	14
Embroidery	3
Bee Hiving	1
Masonry	1
Wood/Metal Working	1

Summer Literacy Program

Student Teachers: 32 Community Taught Adults: 200 health education. Meseret and Mulunesh are both students at Project Mercy's Medhane-Alem School. This year, 450 adult and elderly community members participated in the program. Along with teaching adult literacy, we also continued our skills program. Women are still making beautiful baskets, bracelets and embroidery to sell to visitors and at our office in the United States. Men are participating in beehiving, masonry and wood/metal working. We also have 120 men and women participating in our Dairy Cattle Breeding Program.





INFRASTRUCTURE

WE CANNOT JUST BUILD ROADS, WELLS AND BUILDINGS AND WALK AWAY. WE MUST CONTINUE TO INVEST IN THE COMMUNITIES WE SERVE FOR A BETTER ECONOMY AND FUTURE.

From a Dairy Barn to a Poultry Coop

Every story or accomplishment has a beginning. For Project Mercy's Dairy Cattle Breeding Program, the start of the program was in Yetebon. The program moved to ChaCha, Ethiopia, about four hours away from Yetebon. The move left an empty barn in Yetebon.

The vacant barn was repurposed as a chicken coop for the new Poultry Program. We were blessed to have two Fellows from Tyson Foods, Inc. come

and help with the transformation. The Tyson Fellows are still engaged with the program, and are making a tremendous impact. The remodel allowed for 1,000 chicks to have a home and one day, the children will have eggs to eat and the community will have another source of income. Stay tuned!



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