

PDS - attachment H

APPLICATION PRICE CALCULATION SHEET

PDS for the sale of Shares in the unnamed thoroughbred **Chestnut FILLY**, foaled **2016**, by **RUBICK** from **WITHOUT EXCEPTION** all-inclusive to **31 AUGUST 2018**

The costs of establishing the Syndicate are set out in the following table (these costs are one-off costs):

	Total for Syndicate	Per Share (20)
A. Initial Cost Price of Horse paid by Promoter – fall of the hammer	\$80,000	\$4,000
B. Promoter's margin 12.5% of fall of hammer price	\$10,000	\$500
C. Other acquisition costs	\$19,083	\$954
D. Syndicate establishment costs	\$18,565	\$928
E. Actual and budgeted Horse husbandry costs to 30 June 2018	\$16,343	\$817
Sub-total	\$143,991	\$7,199
F. GST	\$14,399	\$720
G. Racing NSW Registration Fees (GST exempt)	\$610	\$31
Total	\$159,000	\$7,950
Share Application Price – 1/20th [or 5%] Share		\$7,950

Further breakdown of Items A, B, C and D:

		Total for Syndicate	Per Share (20)
A. Initial Cost Price of Horse paid by Promoter		\$80,000	\$4,000
B. Promoter's margin 12.5%		\$10,000	\$500
C. Other acquisition costs			
o Race series eligibility payments (7)			
▪ Entry to Inglis Race series (one-off)	\$2,000		
▪ Entry to BOBS 2 & 3YO series (one-off)	\$900		
▪ Entry to BOBS 4YO series (one-off)	\$764		
▪ Blue Diamond & Blue Sapphire 1 st nom	\$300		
▪ Golden Slipper & Golden Rose 1 st nom	\$341	\$4,305	\$215
o Insurance premiums (4)			
▪ Mortality from fall of hammer to 30 October 2018 for total syndication value			
▪ Emergency Surgery / Colic			
▪ Disability impairment guarantee to date of issuing and allotment of Shares			
▪ Professional Indemnity cover		\$9,653	\$483
o Acquisition costs			
Veterinary work at sale complex by Dr Tim Roberts, including 125 physical inspections, 56 X-rays and endoscopic evaluation, apportioned across all 7 yearlings purchased	\$1,714		
▪ Sales expenses incurred in attending sale apportioned across all 7 yearlings purchased for syndication	\$1,778		
Endoscopic evaluation post sale payable to William Inglis	\$150		
Blood testing post sale payable to William Inglis for Anabolic Androgenic Steroids (Drug Testing)	\$500		
▪ Miscellaneous costs, including professional photographers, pedigree ratings software fee, apportioned across all yearlings purchased for syndication	\$983	\$5,125	\$256
D. Syndicate establishment costs			
o Establishment and promotion			
▪ Proportion of postage, printing, handling & stationary (\$128), communications by telephone, facsimile, email, SMS (\$325),	\$11,865		

marketing & promotion, banking, merchant service/eftpos fees, (\$825), IT service provider, veterinary report for PDS, (\$195), advertising across TV, radio & websites, including TVN, Sky Sports Radio, Bloodstock.com, Racenet etc. (\$9,500), ASIC Form 88 PDS in-use notice (\$35)			
o Accounting and legal			
▪ Proportion of auditor's fee (\$3,500), chartered accountants fee (\$1,200), legal fees (\$2,000)	\$6,700		
Total		\$18,565	\$928
E. Actual and budgeted Horse husbandry costs to 31 AUGUST 2018			
o From 10 February to 31 August 2018			
▪ Transport 13 February from sale complex to Oakridge Spelling Farm	\$180		
▪ Agistment from date of arrival at Oakridge to 28 February	\$1,876		
▪ Transport 1 March from Oakridge to educators to commence breaking-in process	\$180		
▪ Education process over 6 weeks including stabling	\$3,575		
▪ Transport 14 April from educators to Wild Oaks Pre-Training Stables	\$210		
▪ Pre-Training 15 days orientation to stables	\$1,255		
▪ Transport 30 April from Pre-Trainers to Oakridge Spelling Farm	\$150		
▪ Miscellaneous additional costs including farrier feet trim and shoes, dentist, parasite drench	\$515		
▪ Agistment from 1 May to 31 May	\$1,442		
▪ Transport 1 June to Pre-Trainers	\$150		
▪ Pre-Training from 1 June to 15 July	\$3,612		
▪ Transport 15 July from Pre-Trainers Oakridge Spelling Farm	\$150		
▪ Agistment from 16 July to 31 August	\$2,355		
▪ Miscellaneous additional costs including farrier feet trim and shoes, dentist, parasite drench	\$693	\$16,343	\$817
Total		\$143,991	\$7,199