SHARE PRICE CALCULATION SHEET

PDS for the sale of Shares in the unnamed thoroughbred **Bay Filly, foaled 2015**,
by **PIERRO** from **FAITH HILL** inclusive to **30 JUNE 2017**

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	$140,000	$7,000
B. Promoter's profit margin on this promotion	$17,500	$875
C. Other acquisition costs	$30,665	$1,533
D. Syndicate establishment costs	$18,565	$928
E. Actual and budgeted Horse husbandry costs to **30 JUNE 2017**	$14,580	$729
Sub-total	$221,310	$11,065
F. GST	$22,130	$1,107
G. Racing NSW Registration Fees (GST exempt)	$560	$28
Total	**$244,000**	**$12,200**
Share Application Price – 1/20th [or 5%] Share		**$12,200**

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

		Total for Syndicate	Per Share (20)
A. Initial Cost Price of Horse paid by Promoter		**$140,000**	**$7,000**
B. Promoter's margin 12.5%		**$17,500**	**$875**
C. Other acquisition costs			
o Race series eligibility payments **(7)**			
▪ Entry to Magic Millions Race series (one-off)	$4,500		
▪ BOBS 2-3yo Series (one-off)	$900		
▪ BOBS Extra 4yo + Series (one-off)	$764		
▪ Blue Diamond & Blue Sapphire 1st nom (2 races)	$300		
▪ Golden Slipper & Golden Rose 1st nom (2 races)	$341	**$6,805**	**$340**
o Insurance Premiums (4 Policies)			
▪ Mortality from fall of hammer **11th January 2017 to 31st October 2017** for total syndication value			
▪ Colic & Emergency Surgery			
▪ Disability impairment guarantee to date of issuing and allotment of Shares			
▪ Professional Indemnity cover		**$18,109**	**$905**
o Acquisition costs			
▪ Veterinary work at sale complex by Dr Tim Roberts, including 160 physical inspections, 115 X-rays and endoscopic evaluation apportioned across all yearlings purchased for syndication	$1,895		
▪ Endoscopic evaluation post sale payable to Magic Millions	$150		
▪ Blood testing post sale for Anabolic Androgenic Steroids	$500		

▪ Sales expenses incurred in attending sale apportioned across all yearlings purchased for syndication	$1,778		
▪ Consultancy Fee to Independent Bloodstock Agent for assistance with individual inspections of **383** yearlings to determine final **160** lots to submit for veterinary inspection pro-rata across number of yearlings purchased for syndication	$445		
▪ Miscellaneous costs, including professional photographers, pedigree ratings software fee, apportioned across all yearlings purchased for syndication	$983	**$5,751**	**$288**
D. Syndicate establishment costs			
o Establishment and promotion			
▪ Proportion of postage, printing, handling & stationary $128, communications by telephone, facsimile, email, SMS $325, marketing & promotion, banking, merchant service/eftpos fees, $825, IT service provider $857, advertising across TV, radio & websites, including, Sky Sports Radio, Bloodstock.com, Racenet etc. $9,500, Veterinary report for PDS, $195, ASIC Form 88 PDS in-use notice $35	$11,865	**$11,865**	**$593**
o Accounting and legal			
▪ Proportion of auditor's fee ($3,500), chartered accountants fee (1,200), legal fees ($2,000)	$6,700	**$6,700**	**$335**
E. Actual and budgeted Horse husbandry costs to: 30 JUNE 2017			
o From **11th January to 30 JUNE 2017**			
▪ Transport **12/1/17** from sale complex to Oakridge Spelling Farm	$680		
▪ Agistment from date of arrival at Oakridge to 28 February	$1,836		
▪ Transport from Oakridge to educators to commence breaking-in process	$180		
▪ Education process at educator's stables	$3,575		
▪ Transport to our Pre-Trainer to finish education in stables complex	$210		
▪ 15 days orientation at Pre-Trainers Stables	$1,155		
▪ Miscellaneous additional costs at including Track Fees, Farrier feet trim and shoes, Dentist, parasite drench	$515		
▪ Transport 14 April from educators back to Oakridge Spelling Farm	$150		

▪ Agistment at Oakridge Spelling Farm (17 days)	$612		
▪ Agistment from 1 May to 31 May + Feet Trim and Drench	$1,442		
▪ Transport 1 June Educators – Second Session	$180		
▪ Educators 14 day re-fresher course	$1,160		
▪ Transport to Pre-Trainers	$150		
▪ 16 Days in Pre-Trainers	$1,862		
▪ Transport to Spelling Farm after Pre-training	$180		
▪ Miscellaneous additional costs at Oakridge including, farrier feet trim, shoes, dentist, parasite drenches, etc.	$693	**$14,580**	**$729**
Total		**$221,310**	**$11,065**