

PDS - attachment H

APPLICATION PRICE CALCULATION SHEET

PDS for the sale of Shares in the unnamed thoroughbred **Brown FILLY**, foaled **2016**, by **SAVABEEL** from **FRANKLY (NZ)** 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	\$180,000	\$9,000
B. Promoter's margin 12.5% of fall of hammer price	\$22,500	\$1,125
C. Other acquisition costs (inc Insurance and Race Series)	\$31,864	\$1,593
D. Syndicate establishment costs	\$18,565	\$928
E. Actual and budgeted Horse husbandry costs to 31 August 2018	\$15,608	\$781
Sub-total	\$268,537	\$13,427
F. GST	\$26,853	\$1,342
G. Racing NSW Registration Fees (GST exempt)	\$610	\$31
Total	\$296,000	\$14,800
Share Application Price – 1/20th [or 5%] Share		\$14,800

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

		Total for Syndicate	Per Share (20)
A. Initial Cost Price of Horse paid by Promoter		\$180,000	\$9,000
B. Promoter's margin 12.5%		\$22,500	\$1,125
C. Other acquisition costs			
o Race series eligibility payments (5)			
▪ Entry to Inglis Race series (one-off)	\$2,000		
▪ Blue Diamond & Blue Sapphire 1 st nom	\$300		
▪ Golden Slipper & Golden Rose 1 st nom	\$341	\$2,641	\$132
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		\$23,462	\$1,173
o Acquisition costs			
Veterinary work at sale complex by Dr Tim Roberts, including physical inspections, X-rays and endoscopic evaluation, apportioned across yearling purchased	\$1,850		
▪ Sales expenses incurred in attending sale apportioned across yearlings purchased for syndication	\$2,278		
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	\$5,761	\$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	\$11,865		

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 5 March to 31 August 2018			
▪ Transport 5 March from sale complex to Oakridge Spelling Farm	\$780		
▪ Agistment from date of arrival at Oakridge to 31 March	\$1,276		
▪ Transport 1 April from Oakridge to educators to commence breaking-in process	\$180		
▪ Education process over 6 weeks including stabling	\$3,975		
▪ Transport 14 May from educators to Wild Oaks Pre-Training Stables	\$210		
▪ Pre-Training 15 days orientation to stables	\$1,355		
▪ Transport 31 May from Pre-Trainers to Oakridge Spelling Farm	\$180		
▪ Agistment from 1 June to 30 June	\$1,442		
▪ Miscellaneous additional costs including farrier feet trim and shoes, dentist, parasite drench to 30 June	\$793		
▪ Transport 1 July to Pre-Trainers	\$150		
▪ Pre-Training from 1 July to 15 August	\$3,612		
▪ Transport 15 August from Pre-Trainers Oakridge Spelling Farm	\$150		
▪ Agistment from 16 August to 31 August	\$890		
▪ Miscellaneous additional costs including farrier feet trim and shoes, dentist, parasite drench to 31 August	\$615	\$15,608	\$781
Total		\$268,537	\$13,427