

PDS - attachment H

APPLICATION PRICE CALCULATION SHEET

PDS for the sale of Shares in the unnamed thoroughbred **Black/Brown FILLY**, foaled **2017**, by **LONHRO** from **MONALIESHA** all-inclusive to **30 SEPTEMBER 2019**

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	\$150,000	\$7,500
B. Promoter's margin 12.5% of fall of hammer price	\$18,750	\$937
C. Other acquisition costs (inc Insurance and Race Series)	\$30,159	\$1,508
D. Syndicate establishment costs	\$18,565	\$928
E. Actual and budgeted Horse husbandry costs to 30 September 2019	\$16,972	\$849
Sub-total	\$234,446	\$11,722
F. GST	\$23,444	\$1,172
G. Racing NSW Registration Fees (GST exempt)	\$610	\$31
Total	\$258,500	\$12,925
Share Application Price – 1/20th [or 5%] Share		\$12,925

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

		Total for Syndicate	Per Share (20)
A. Initial Cost Price of Horse paid by Promoter		\$150,000	\$7,500
B. Promoter's margin 12.5%		\$18,750	\$937
C. Other acquisition costs			
o Race series eligibility payments (7)			
▪ Entry to \$8m Inglis Race series (one-off)	\$3,500		
▪ BOBS (one-off)	\$900		
▪ BOBS EXTRA (one-off)	\$765		
▪ Blue Diamond & Blue Sapphire 1 st nomination	\$300		
▪ Golden Slipper & Golden Rose 1 st nomination	\$341	\$5,806	\$290
o Insurance premiums (4)			
▪ Mortality from fall of hammer to 31 October 2019 for total syndication value = \$257,000			
▪ Emergency Surgery / Colic \$10,000			
▪ Disability impairment guarantee to date of issuing and allotment of Shares			
▪ Professional Indemnity cover		\$18,592	\$930
o Acquisition costs			
▪ Veterinary work at sale complex by Dr Tim Roberts, including 23 physical inspections, X-ray reports and Videoscope / endoscopic evaluations apportioned across yearlings purchased	\$2,645		
▪ Sales expenses incurred in attending sale 6 days apportioned across yearlings purchased for syndication	\$2,278		
▪ Blood testing post-sale payable to William Inglis for Anabolic Androgenic Steroids (Drug Testing)	\$500		
▪ Endoscopic evaluation post sale payable to William Inglis	\$150		
▪ 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	\$11,865		

telephone, facsimile, email, SMS (\$325), marketing & promotion, banking, merchant service/eftpos fees, (\$825), IT service provider, veterinary report for PDS, (\$195), advertising across TV, radio & websites, including Sky Channel, Sky Sports Radio, Bloodstock.com, Raceing.com 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 30 SEPTEMBER 2019			
o From 4 March to 30 September 2019			
▪ 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		
▪ Agistment from 1 Sept to 30 September	\$1,442		
▪ Miscellaneous additional costs including farrier feet trim and shoes, dentist, parasite drench to 30 September	\$537	\$16,972	\$849
Total		\$234,446	\$11,722