

PDS - attachment H

APPLICATION PRICE CALCULATION SHEET

PDS for the sale of Shares in the unnamed thoroughbred **Brown FILLY**, foaled **2017**, by **WRITTEN TYCOON** from **SHEER SENSATION** 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	\$100,000	\$5,000
B. Promoter's margin 12.5% of fall of hammer price	\$12,500	\$625
C. Other acquisition costs	\$22,947	\$1,147
D. Syndicate establishment costs	\$18,565	\$928
E. Actual and budgeted Horse husbandry costs to 31 August 2019	\$16,343	\$817
<b>Sub-total</b>	<b>\$170,355</b>	<b>\$8,517</b>
F. GST	\$17,035	\$852
G. Racing Victoria Registration Fees (GST exempt)	\$610	\$31
<b>Total</b>	<b>\$188,000</b>	<b>\$9,400</b>
<b>Share Application Price – 1/20<sup>th</sup> [or 5%] Share</b>		<b>\$9,400</b>

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

		Total for Syndicate	Per Share (20)
<b>A. Initial Cost Price of Horse paid by Promoter</b>		<b>\$100,000</b>	<b>\$5,000</b>
<b>B. Promoter's margin 12.5%</b>		<b>\$12,500</b>	<b>\$625</b>
<b>C. Other acquisition costs</b>			
o <b>Race series eligibility payments (7)</b>			
▪ 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 <sup>st</sup> nom	\$300		
▪ Golden Slipper & Golden Rose 1 <sup>st</sup> nom	\$341	<b>\$4,327</b>	<b>\$217</b>
o <b>Insurance premiums (4)</b>			
▪ Mortality from fall of hammer to 31 October 2019 for total syndication value			
▪ Emergency Surgery / Colic			
▪ Disability impairment guarantee to date of issuing and allotment of Shares			
▪ Professional Indemnity cover		<b>\$13,495</b>	<b>\$674</b>
o <b>Acquisition costs</b>			
▪ Veterinary work at sale complex by Dr Tim Roberts, including Physical inspections, X-rays and endoscopic evaluation, apportioned across yearlings purchased	\$1,714		
▪ Sales expenses incurred in attending sale apportioned across all 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		

<ul style="list-style-type: none"> <li>▪ Miscellaneous costs, including professional photographers, pedigree ratings software fee, apportioned across all yearlings purchased for syndication</li> </ul>	\$983	\$5,125	\$256
<b>D. Syndicate establishment costs</b>			
o <b>Establishment and promotion</b>			
<ul style="list-style-type: none"> <li>▪ Proportion of postage, printing, handling &amp; stationary (\$128), communications by telephone, facsimile, email, SMS (\$325), marketing &amp; promotion, banking, merchant service/eftpos fees, (\$825), IT service provider, veterinary report for PDS, (\$195), advertising across TV, radio &amp; websites, including TVN, Sky Sports Radio, Bloodstock.com, Racenet etc. (\$9,500), ASIC Form 88 PDS in-use notice (\$35)</li> </ul>	\$11,865		
o <b>Accounting and legal</b>			
<ul style="list-style-type: none"> <li>▪ Proportion of auditor's fee (\$3,500), chartered accountants fee (\$1,200), legal fees (\$2,000)</li> </ul>	\$6,700		
<b>Total</b>		<b>\$18,565</b>	<b>\$928</b>
<b>E. Actual and budgeted Horse husbandry costs to 31 AUGUST 2019</b>			
o <b>From 12 February to 31 August 2019</b>			
<ul style="list-style-type: none"> <li>▪ Transport <b>12 February</b> from sale complex to Oakridge Spelling Farm</li> </ul>	\$180		
<ul style="list-style-type: none"> <li>▪ Agistment from date of arrival at Oakridge to <b>28 February</b></li> </ul>	\$1,876		
<ul style="list-style-type: none"> <li>▪ Transport <b>1 March</b> from Oakridge to educators to commence breaking-in process</li> </ul>	\$180		
<ul style="list-style-type: none"> <li>▪ Education process over 6 weeks including stabling</li> </ul>	\$3,575		
<ul style="list-style-type: none"> <li>▪ Transport <b>14 April</b> from educators to Wild Oaks Pre-Training Stables</li> </ul>	\$210		
<ul style="list-style-type: none"> <li>▪ Pre-Training 15 days orientation to stables</li> </ul>	\$1,255		
<ul style="list-style-type: none"> <li>▪ Transport <b>30 April</b> from Pre-Trainers to Oakridge Spelling Farm</li> </ul>	\$150		
<ul style="list-style-type: none"> <li>▪ Miscellaneous additional costs including farrier feet trim and shoes, dentist, parasite drench</li> </ul>	\$515		
<ul style="list-style-type: none"> <li>▪ Agistment from <b>1 May to 31 May</b></li> </ul>	\$1,442		
<ul style="list-style-type: none"> <li>▪ Transport <b>1 June</b> to Pre-Trainers</li> </ul>	\$150		
<ul style="list-style-type: none"> <li>▪ Pre-Training from <b>1 June to 15 July</b></li> </ul>	\$3,612		
<ul style="list-style-type: none"> <li>▪ Transport <b>15 July</b> from Pre-Trainers Oakridge Spelling Farm</li> </ul>	\$150		
<ul style="list-style-type: none"> <li>▪ Agistment from <b>16 July to 31 August</b></li> </ul>	\$2,355		
<ul style="list-style-type: none"> <li>▪ Miscellaneous additional costs including farrier feet trim and shoes, dentist, parasite drench</li> </ul>	\$693	<b>\$16,343</b>	<b>\$817</b>
<b>Total</b>		<b>\$170,355</b>	<b>\$8,517</b>