

PDS - attachment H

APPLICATION PRICE CALCULATION SHEET

PDS for the sale of Shares in the unnamed thoroughbred **Bay Colt** foaled **2020**, by **AMERICAN PHAROAH (USA)** from **WAR HEROINE (USA)** all-inclusive to **31 OCTOBER 2022**

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

|  | Total for Syndicate | Per Share (20) |
|--|---------------------|----------------|
| A. Initial Cost Price of Horse paid by Promoter – fall of the hammer   | \$70,000            | \$3,500        |
| B. Promoter's margin 12.5% of fall of hammer price   | \$8,750             | \$438          |
| C. Other acquisition costs   | \$24,173            | \$1,209        |
| D. Syndicate establishment costs   | \$19,255            | \$963          |
| E. Actual and budgeted Horse husbandry costs to <b>31 October 2022</b>   | \$21,677            | \$1083         |
| <b>Sub-total</b>   | <b>\$143,855</b>    | <b>\$7,193</b> |
| F. GST   | \$14,385            | \$719          |
| G. Racing NSW Registration Fees (GST exempt): FOH Ownership Transfer \$55, Registration of Promotion \$250, Registration of Racing Syndicate \$250, Addition of a Racing Syndicate \$40, Transfer Promoter to Syndicate \$55, Registration of Horse Name \$110 | \$760               | \$38           |
| <b>Total</b>   | <b>\$159,000</b>    | <b>\$7,950</b> |
| <b>Share Application Price – 1/20<sup>th</sup> [or 5%] Share</b>   |                     | <b>\$7,950</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>\$70,000</b>     | <b>\$3,500</b> |
| <b>B. Promoter's margin 12.5%</b>  |         | <b>\$8,750</b>      | <b>\$438</b>   |
| <b>C. Other acquisition costs</b>  |         |                     |                |
| o <b>Race series eligibility payments (7)</b>  |         |                     |                |
| ▪ <b>Entry to Magic Millions Race series (once only)</b>   | \$5,000 |                     |                |
| ▪ <b>BOBS Entry Fee (once only)</b>  | \$900   |                     |                |
| ▪ <b>BOBS Extra Entry Fee (once only)</b>  | \$764   |                     |                |
| ▪ <b>Blue Diamond &amp; Blue Sapphire 1<sup>st</sup> nomination</b>  | \$300   |                     |                |
| ▪ <b>Golden Slipper &amp; Golden Rose 1<sup>st</sup> nomination</b>  | \$400   | <b>\$7,364</b>      | <b>\$368</b>   |
| o <b>Insurance Premiums (4) Cover with Logans</b>  |         |                     |                |
| ▪ Mortality from fall of hammer to 1 November 2022 for total syndication value +   |         |                     |                |
| ▪ Disability impairment guarantee to date of issuing and allotment of Shares +   |         | <b>\$10,062</b>     | <b>\$504</b>   |
| ▪ Emergency Surgery / Colic +  |         | <b>\$300</b>        | <b>\$15</b>    |
| ▪ ASIC - Statutory Professional Indemnity cover  |         | <b>\$816</b>        | <b>\$41</b>    |
| o <b>Acquisition costs</b>   |         |                     |                |
| ▪ Veterinary work at sale complex by Dr Tim Roberts including <b>153</b> physical inspections, <b>132</b> X-rays & <b>114</b> endoscopic evaluations, pro-rata apportioned across all yearlings bought | \$2,195 |                     |                |
| ▪ Sales expenses incurred in attending sale apportioned across all yearlings purchased for syndication   | \$1,778 |                     |                |
| ▪ Endoscopic evaluation post sale payable to Magic Millions  | \$175   |                     |                |
| ▪ Blood-testing post sale for Anabolic Androgenic Steroids payable to Magic Millions   | \$500   |                     |                |
| ▪ Miscellaneous costs, including professional photographers, pedigree ratings software subscription fees, apportioned across all yearlings purchased for syndication                                   | \$983   |                     |                |
| <b>Part C. Sub-Total</b>   |         | <b>\$5,631</b>      | <b>\$281</b>   |

|  |          |                  |                |
|--|----------|------------------|----------------|
|  |          |                  |                |
| <b>D. Syndicate establishment costs</b>  |          |                  |                |
| o <b>Establishment and promotion</b>   |          |                  |                |
| ▪ Pro-rata proportion of: postage, printing, stationary (\$158), communication fees (telephone, internet, SMS) (\$360), bank fees, merchant service/eftpos fees, IT service provider (\$825), marketing & promotion advertising across: Facebook (\$457), TV Sky Channel & Racing.com, radio Sky Sports Radio & website Bloodstock.com (\$9,900), ASIC Form 88 PDS in-use notice & Vet Report for PDS (\$195). | \$11,895 |                  |                |
| ▪ Pro-rata ASIC Industry Funding Levy (\$660)  | \$660    |                  |                |
| o <b>Accounting and legal</b>  |          |                  |                |
| ▪ Pro-rata: Auditor's fee (\$3,500), Chartered Accountants fee (\$1,200), Legal fees (\$2,000)   | \$6,700  |                  |                |
| <b>Part D. Sub-Total</b>   |          | <b>\$19,255</b>  | <b>\$963</b>   |
|  |          |                  |                |
| <b>E. Actual and Budgeted Horse Husbandry Costs to 31 October 2022</b>   |          |                  |                |
| o <b>From 14 January 2022 to 31 October 2022</b>   |          |                  |                |
| ▪ Transport <b>13 January</b> from sale complex to Gooree Park Stud Agistment Farm   | \$780    |                  |                |
| ▪ Agistment from date of arrival at Gooree Park to <b>28 February</b>  | \$1,856  |                  |                |
| ▪ Transport <b>1 March</b> from Gooree Park to Bimbadeen Park to educator Shane Rose to commence breaking-in process   | \$720    |                  |                |
| ▪ Education (Breaking-in) process over 42 days including stabling  | \$3,750  |                  |                |
| ▪ Miscellaneous additional costs including farrier feet trim and shoes, dentist, parasite drench to <b>11 April</b>  | \$515    |                  |                |
| ▪ 3 days agistment & Transport <b>11 April</b> from educators to Gooree Park Pre-Training Stables  | \$690    |                  |                |
| ▪ Pre-Training 15 days orientation to stables \$88pd + supplements to <b>30 April</b>  | \$1,320  |                  |                |
| ▪ Agistment at Gooree from <b>1 May to 31 May</b>  | \$1,442  |                  |                |
| ▪ Pre-Training from <b>1 June to 30 June</b> \$88pd + Track Fees & Supplements   | \$2,820  |                  |                |
| ▪ Miscellaneous additional costs include farrier feet trim and shoes, dentist, parasite drench to <b>30 June 22</b>  | \$693    |                  |                |
| ▪ Agistment at Bimbadeen Park from <b>1 July to 31 July</b>  | \$1,442  |                  |                |
| ▪ Pre-Training 31 days re-orientation to stables <b>1 August to 31 August</b>  | \$2,502  |                  |                |
| ▪ Agistment at Bimbadeen Park from <b>1 September to 30 September</b>  | \$1,396  |                  |                |
| ▪ Agistment at Bimbadeen Park from <b>1 October to 31 October</b>  | \$1,442  |                  |                |
| ▪ Miscellaneous additional costs include farrier feet trims and shoes, dentist, parasite drench to <b>31 October</b>   | \$309    |                  |                |
| <b>Part E. Sub-Total</b>   |          | <b>\$21,677</b>  | <b>\$1,083</b> |
|  |          |                  |                |
| <b>Total</b>   |          | <b>\$143,855</b> | <b>\$7,193</b> |