

SHARE PRICE CALCULATION SHEET

PDS for the sale of Shares in **WITCHES - 4YO Brown Mare, foaled 2013**,
by **LONHRO** from **OUIJA costs inclusive to 30 SEPTEMBER 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 | \$60,000 | \$3,000 |
| B. Promoter’s profit margin on this promotion | \$6,909 | \$345 |
| C. Other acquisition costs | \$1,820 | \$91 |
| D. Syndicate establishment costs | \$1,808 | \$90 |
| E. Actual and budgeted Horse husbandry costs to 30 SEPTEMBER 2017 | \$3,500 | \$175 |
| Sub-total | \$74,037 | \$3,701 |
| F. GST | \$7,403 | \$371 |
| G. Racing NSW Registration Fees (GST exempt) | \$560 | \$28 |
| Total | \$82,000 | \$4,100 |
| Share Application Price – 1/20th [or 5%] Share | | \$4,100 |

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

| | | Total for Syndicate | Per Share (20) |
|--|---------|------------------------|-------------------|
| A. Initial Cost Price of Horse paid by Promoter | | \$60,000 | \$3,000 |
| B. Promoter’s margin | | \$6,909 | \$345 |
| C. Other acquisition costs | | | |
| o Acquisition costs | | | |
| ▪ Veterinary work at sale including physical inspections | \$250 | | |
| ▪ Veterinary Endoscopic evaluation pre-sale inspection | \$150 | | |
| ▪ Sales expenses incurred in attending sale: including return airfare, pro-rata across three (3) ex Godolphin racehorses purchased for syndication | \$438 | | |
| ▪ Miscellaneous costs, including photographers, pedigree ratings software fee, pro-rata across three (3) racehorses purchased for syndication | \$982 | \$1,820 | \$91 |
| D. Syndicate establishment costs | | | |
| o Establishment and promotion | | | |
| ▪ Proportion of postage, printing, handling & stationary \$128, communications by telephone, facsimile, email, SMS \$325, Facebook and Social Media marketing & promotion \$300, banking and merchant service/eftpos fees, \$825 Veterinary report for PDS, \$195, ASIC Form 88 PDS in-use notice \$35 | \$1,808 | \$1,808 | \$90 |
| E. Actual and budgeted Horse husbandry costs to: 30 SEPTEMBER 2017 | | | |
| o From 25 AUGUST to 30 SEPTEMBER 2017 | | | |

| | | | |
|---|---------|-----------------|----------------|
| <ul style="list-style-type: none"> ▪ Transport 25/8/17 from Inglis Sale complex VIC to OAKRIDGE Spelling Farm – The Oaks NSW | \$680 | | |
| <ul style="list-style-type: none"> ▪ 24 days Spelling to Monday 18 September including 14 days dry walker | \$995 | | |
| <ul style="list-style-type: none"> ▪ Pre-Training 18/9 – 30-/9 at Wild Oaks Stables inc trackwork / day yards / dry walker / swimming | \$1,205 | | |
| <ul style="list-style-type: none"> ▪ Miscellaneous additional costs including Track Fees, Farrier feet trim and full set new shoes, Dentist, worming / parasite drench | \$620 | \$3,500 | \$175 |
| Total | | \$74,037 | \$3,701 |