

## SHARE PRICE CALCULATION SHEET

PDS for the sale of Shares in the unnamed thoroughbred **Bay Colt, foaled 2013,**  
by **SNITZEL** from **WORKHARD** inclusive to **30 September 2015**

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	\$120,000	\$6,000
B. Promoter’s profit margin on this promotion	\$15,000	\$750
C. Other acquisition costs	\$26,528	\$1,327
D. Syndicate establishment costs	\$18,335	\$917
E. Actual and budgeted Horse husbandry costs to <b>30 September</b>	\$18,719	\$936
<b>Sub-total</b>	<b>\$198,582</b>	<b>\$9,929</b>
F. GST	\$19,858	\$993
G. Racing NSW Registration Fees (GST exempt)	\$560	\$28
<b>Total</b>	<b>\$219,000</b>	<b>\$10,950</b>
<b>Share Application Price – 1/20<sup>th</sup> [or 5%] Share</b>		<b>\$10,950</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>\$120,000</b>	<b>\$6,000</b>
<b>B. Promoter’s margin 12.5%</b>		<b>\$15,000</b>	<b>\$750</b>
<b>C. Other acquisition costs</b>			
o Race series eligibility payments (5)			
▪ Entry to Magic Millions Race series (one-off)	\$4,500		
▪ Blue Diamond & Blue Sapphire 1 <sup>st</sup> nom	\$300		
▪ Golden Slipper & Golden Rose 1 <sup>st</sup> nom	\$341		
▪ BOBS 2-3yo Series (one-off)	\$900		
▪ BOBS Extra 4yo Series (one-off)	\$764	<b>\$6,805</b>	<b>\$340</b>
o Insurance premiums (4)			
▪ Mortality from fall of hammer from <b>7<sup>th</sup> January 2015</b> to <b>1<sup>st</sup> November 2015</b> for the total syndication value			
▪ Colic			
▪ Disability impairment guarantee to date of issuing and allotment of Shares			
▪ Professional Indemnity cover		<b>\$14,742</b>	<b>\$737</b>
o Acquisition costs			
▪ Veterinary work at sale complex by D. John Walker, including physical inspections, X-ray and endoscopic evaluation apportioned across all yearlings purchased for syndication	\$895		
▪ Endoscopic evaluation post sale payable to William Inglis	\$150		
▪ Blood testing post sale for Anabolic Androgenic Steroids	\$500		
▪ Sales expenses incurred in attending sale apportioned across all yearlings purchased for syndication	\$1,778		
▪ Consultancy Fee to Independent Bloodstock	\$445		

Agent Gary Mudgway for assistance with individual inspections of 103 yearlings to determine final 35 lots to submit for veterinary inspection pro-rata across number of yearlings purchased for syndication			
<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	<b>\$4,751</b>	<b>\$238</b>
<b>D. Syndicate establishment costs</b>			
<ul style="list-style-type: none"> <li>○ Establishment and promotion</li> </ul>			
<ul style="list-style-type: none"> <li> <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 \$857, advertising across TV, radio &amp; websites, including, Sky Sports Radio, Bloodstock.com, Racenet etc. \$9,500, Veterinary report for PDS, \$195, ASIC Form 88 PDS in-use notice \$35</li> </ul> </li> </ul>	\$11,865	<b>\$11,865</b>	<b>\$593</b>
<ul style="list-style-type: none"> <li>○ Accounting and legal</li> </ul>			
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Proportion of auditors fee (\$3,500), chartered accountants fee (\$1,200), legal fees (\$2,000)</li> </ul> </li> </ul>	\$6,700	<b>\$6,700</b>	<b>\$335</b>
<b>E. Actual and budgeted Horse husbandry costs to 30 September 2015</b>			
<ul style="list-style-type: none"> <li>○ From <b>11<sup>th</sup> January to 30<sup>th</sup> September</b></li> </ul>			
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Transport 11/1/15 from sale complex to Oakridge Spelling Farm</li> </ul> </li> </ul>	\$680		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Agistment from date of arrival at Oakridge to 31/1/15 = 20 days</li> </ul> </li> </ul>	\$655		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Transport from Oakridge to Randwick educators to commence breaking-in process</li> </ul> </li> </ul>	\$180		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Education process by Gai Waterhouse's yearling educator including stabling</li> </ul> </li> </ul>	\$3,575		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Transport to Gai Waterhouse's Tempest Morn stables</li> </ul> </li> </ul>	\$110		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ 14 days orientation at Gai Waterhouse stables</li> </ul> </li> </ul>	\$2,079		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Miscellaneous additional costs at Randwick Racecourse including Track Fees, farrier feet trim and shoes, dentist, parasite drench</li> </ul> </li> </ul>	\$572		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Transport from educators back to Oakridge Spelling Farm</li> </ul> </li> </ul>	\$180		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Agistment from 18 May to 31 May at Oakridge Spelling Farm (14 days)</li> </ul> </li> </ul>	\$490		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Agistment from 1 June to 30 June</li> </ul> </li> </ul>	\$1,050		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Agistment from 1 July to 3 August</li> </ul> </li> </ul>	\$1,190		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Transport to Pre-Trainers</li> </ul> </li> </ul>	\$180		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Pre-Training 3 August to 24 August (21 days) inc Track Fees and Farrier + vet costs</li> </ul> </li> </ul>	\$1,926		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Transport to Gai Waterhouse Racing Stables at Randwick</li> </ul> </li> </ul>	\$240		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Training with GAI from 24 August to 31 August</li> </ul> </li> </ul>	\$1,050		
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ Training 1 September to 30 September</li> </ul> </li> </ul>	\$4,050		

<ul style="list-style-type: none"> <li>▪ Miscellaneous additional costs including Track Fees, farrier feet trim and shoes, dentist, parasite drench, etc.</li> </ul>	\$512	\$18,719	\$936
<b>Total</b>		\$198,582	\$9,929