



PROSPECTUS

ASSET RACING (AUST) LTD

ABN 60 639 949 116

LONHRO X SPORTS WRITER SHARES

DATED: 8TH MARCH 2021



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TABLE OF CONTENTS

IMPORTANT INFORMATION	3
1. INVESTMENT OVERVIEW	4
1.1 Summary of Offer.....	4
1.2 Key terms and conditions of Offer	4
2. BUSINESS OVERVIEW	5
2.1 Nature of the business	5
2.2 Business Assets	8
2.3 The Manager	10
2.4 Significant dependencies	10
2.5 Strategy and Plans.....	11
2.6 Finance arrangements.....	11
2.7 Valuation	11
3. RISK FACTORS	12
3.1 Business risk factors	12
3.2 Investment risk factors.....	13
4. FINANCIAL INFORMATION	14
4.1 Financial Affairs.....	14
5. DIRECTORS AND KEY PEOPLE, INTERESTS AND BENEFITS	15
5.1 Board of Directors	15
5.2 Interests of Directors	16
5.3 Corporate Directory.....	16
6. DETAILS OF THE OFFER	17
6.1 Structure of the offer	17
6.2 Proposed use of proceeds.....	18
6.3 Terms and conditions of the offer.....	19
6.4 Dividend policy / prize money and sales proceeds distribution.....	20
7. GLOSSARY	21
8. EXECUTION OF PROSPECTUS	22
9. HOW TO APPLY FOR SHARES	23
10. APPLICATION FORM	24
ANNEXURES...	26

IMPORTANT INFORMATION

Offer

The Offer contained in this Prospectus is an invitation by Asset Racing (AUST) Ltd (“AR” or “Company”) to acquire fully paid Lonhro x Sports Writer shares (“Shares”).

Prospectus

This Prospectus is dated 8th March 2021 and a copy was lodged with the Australian Securities and Investments Commission (“ASIC”) on that date.

Expiry date

No shares will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Exposure period

The *Corporations Act 2001* (Cth) (“**Corporations Act**”) prohibits the Company from processing applications for shares in the 7 day period after the date of lodgement of this Prospectus with ASIC. This period may be extended by ASIC for a further 7 days. This period is an exposure period to enable this Prospectus to be examined by market participants prior to the raising of funds. Applications received during the exposure period will not be processed until after the expiry of the period. No preference will be given to applications received during that period.

No performance guarantee

Purchasing shares should be regarded as speculative and shareholders should regard their shares as an entry in to racing horses for entertainment value rather than returns before accepting this Offer. Prospective shareholders should seek independent professional investment advice before accepting this Offer. Please consult your legal, financial or other professional adviser before making a decision to invest in shares. Horse racing is a speculative venture and no person involved in producing this Prospectus (including the Company and its directors and advisers) guarantees the performance of the Shares or any capital or income.

Offer availability

The Offer constituted by this Prospectus is only available to persons receiving this Prospectus within Australia and does not constitute an offer in any jurisdiction which, or to any person whom, it will be

unlawful to make such an offer. An application for shares, pursuant to this offer, can only be made by completing and lodging the application form that accompanies this Prospectus.

Forward-looking statements

This Prospectus contains forward-looking statements. Forward-looking statements can be identified by the use of forward-looking terminology such as ‘may’, ‘will’, ‘expect’, ‘anticipate’, ‘estimate’, ‘would be’, ‘believe’, ‘continue’ or the negative or other variations of comparable terminology. These statements are based on the Directors’ assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, at the date of this Prospectus, are expected to take place. Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company. Such statements are subject to risk and uncertainties that could cause actual results to differ materially from those projected. Such statements (none of which is intended as a guarantee of performance) are subject to certain assumptions, risks and uncertainties, which could cause the actual future results, achievements or transaction to differ materially from those projected or anticipated. The Directors’ expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis. No assurance is or can be given that the results, performance or achievements expressed or implied by the forward- looking statements contained in this Prospectus will actually occur. Accordingly, you should not place undue reliance on these forward-looking statements.

No cooling-off rights

Cooling-off rights do not apply to an investment in Shares issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

Photographs

Photographs used in this Prospectus which do not have descriptions are for illustration purposes only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents.

1. INVESTMENT OVERVIEW

1.1 Summary of Offer

Topic	Information	Reference
What is the Company?	AR is a horse racing company and has purchased one thoroughbred racehorse with the intention of racing it. AR is offering Shareholders the opportunity to receive any benefit of race winnings and potential future breeding revenue and proceeds (after paying expenses).	For more information see section 2.1
Why is the Offer being conducted?	The Offer is being conducted to: <ul style="list-style-type: none"> • Fund the engagement of the proposed trainers; • Pay the costs incurred by Asset Racing and the Directors in respect of the issue of this Prospectus; and • Repay the Company's existing credit facility used to purchase the Horse. 	For more information see section 6.2
What are the key risks associated with the Company?	Risks associated with purchasing shares include the risk of the Horse being injured and unable to race, heavy reliance on directors and other key persons, changes in legislation, the speculative nature of horse racing and liquidity risk.	For more information see section 3
Who will be in control of the Company?	The Directors of the Company are Carol Walsh, Gabriel Pardi and Jordan Pardi.	For more information see section 5.1
Who will benefit from the Offer?	Asset Racing will benefit from this Offer as it will be responsible for managing the racing career of the Horse for the Company and will receive a management fee for doing so. Gabriel Pardi and Jordan Pardi, the directors and shareholders of Asset Racing, may benefit from this offer in the form of dividends distributed to them, and a salary paid to them by Asset Racing in their capacity as shareholders of Asset Racing.	For more information see sections 2.3.1, 5.2 and 6.3.1

1.2 Key terms and conditions of Offer

Topic	Information
What is the Offer period?	The offer opens on 8th March 2021 and closes on the 7th April 2022.
What is the type of Shares being offered?	Fully paid Lonhro x Sports Writer Shares.
How many Shares are being offered?	40 fully paid Lonhro x Sports Writer Shares.
Minimum subscription amount for each Shareholder	1 fully paid Lonhro x Sports Writer Share.
Minimum subscription amount for Offer to proceed	1 fully paid Lonhro x Sports Writer Share.
What is the consideration for each Share being offered?	The price of each Share under offer is \$3,625
Amount to be raised under the Offer	\$145,000
Are the Shares listed?	The Shares are not listed on any stock exchange.
Is the offer underwritten?	The Offer is not underwritten.

2. BUSINESS OVERVIEW

2.1 Nature of the business

AR is a horse racing company and has purchased one thoroughbred racehorse (the “Horse”) with the intention of managing its racing career, training and racing it. The Company holds a racing syndicate licence issued by the Queensland Racing Integrity Commission, which allows the Horse to be raced at tracks throughout Australia under the Company’s name. The Horse is 100% owned by the Company.

It is intended that the Company will operate for the career of the Horse at the discretion of the Director, with an expected start date of 8th March 2021.

The Company intends to generate returns for the Shareholders by effectively managing the Horse’s racing career. This involves engaging and maintaining quality licensed trainers, ensuring the Horse remains healthy, and entering the Horse into appropriate races. The Manager is responsible for managing the Horse’s racing career. Any prize-money won by the Horse will be used in the first instance to pay trainer and jockey expenses and expenses relating to the management of the Horse. The remainder of the prize-money will be distributed to Shareholders in the form of dividends. See section 6.4 for more information about the distribution of prize-money.

If an offer by a third party to buy the Horse from the Company, the Director will consider, with consultation from the Manager and the trainers, whether the offer is in the best interests of Shareholders. If the Company considers the offer is in the best interests of Shareholders, Shareholders have a right of first refusal and have the option to purchase the Horse at the offered price.

If in the opinion of the Directors, it is not in the interests of the Shareholders for the Horse to continue to race in a particular class to which the Horse is referable, the Horse will either be sold, or if it is considered to be of no significant commercial value, retired and placed in a good home.

At the end of the Horse’s racing career, the Directors will consider whether the Horse will be sold or transitioned to a breeding programme and will make a recommendation to the Shareholders. A Shareholders’ resolution will then be passed to elect whether to sell the Horse or transition to a breeding programme. In the latter case, the Company may continue for the breeding life of the Horse. If there is no transition to a breeding programme, then the Horse will be sold. If the Horse is a valuable broodmare, it will either be sold through a public auction or to a bloodstock agent. Once the Horse is sold, the Company will be wound up. The sale money will be distributed to creditors and Shareholders in accordance with the Corporations Act.

2.1.1 Thoroughbred industry overview

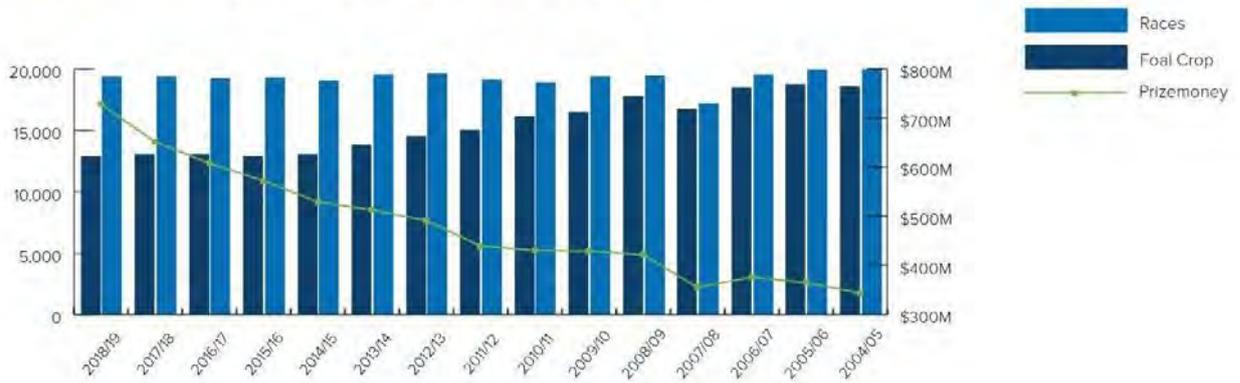
The Australian racing industry makes a significant contribution to the national gross domestic product, employment and government revenue. The economic activity generated by thoroughbred racing and breeding alone contributes more than \$10 billion to the national GDP and, when included in the agricultural sector, is the fourth largest industry in Australia.

The horse racing industry is a mature industry with over 3,000 registered trainers and 800 jockeys. There are approximately 35,000 horses in Australia participating in about 19,000 races per year with prizemoney totalling \$600 million.

The below graphs show the number of races relative to the total pool of prizemoney, and the increase in the prizemoney pool up until 2020.

INDUSTRY TRENDS

Races, Prizemoney and Foal Crops 2004/05 - 2018/19



Stakes and Standard Race Prizemoney 2004/05 - 2019/20

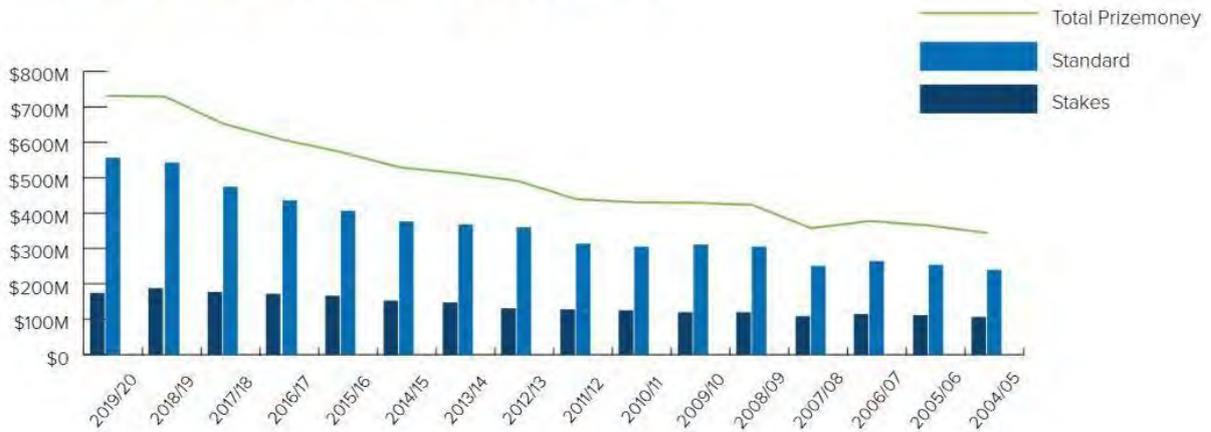


Table 3. Prizemoney and Incentive Payments in Australia 2002/03 - 2019/20

Season	Prizemoney (inc. Trophy)	% Change	Incentive Scheme Payouts	% Change
2019/20	\$730,769,073	0.27%	\$42,329,722	9.24%
2018/19	\$728,809,559	11.80%	\$38,750,650	2.45%
2017/18	\$651,866,124	7.38%	\$37,823,597	9.33%
2016/17	\$607,067,610	6.14%	\$34,595,000	6.18%
2015/16	\$571,973,523	8.16%	\$32,580,425	1.87%
2014/15	\$528,821,379	3.26%	\$31,982,800	0.87%
2013/14	\$512,113,328	4.30%	\$31,707,412	11.50%
2012/13	\$490,980,217	11.82%	\$28,436,286	5.72%
2011/12	\$439,074,032	2.06%	\$26,897,911	4.72%
2010/11	\$430,227,684	0.34%	\$25,685,849	-0.98%
2009/10	\$428,758,934	1.42%	\$25,939,058	21.18%
2008/09	\$422,773,412	18.43%	\$21,405,150	42.40%
2007/08	\$356,972,323	-5.37%	\$15,031,256	-1.25%
2006/07	\$377,213,883	2.01%	\$15,221,215	-4.69%
2005/06	\$369,797,468	6.06%	\$15,969,840	2.08%
2004/05	\$348,653,608	5.90%	\$15,644,845	-8.25%
2003/04	\$329,243,410	3.15%	\$17,052,455	20.39%
2002/03	\$319,199,781	3.39%	\$14,164,200	24.75%

Source: Racing Australia Fact Book 2016/17

The industry is highly regulated. Companies and syndicates operating horse racing businesses are primarily subject to the Australian Rules of Racing administered by Racing Australia Limited. Each Australian State and Territory has a Principal Racing Authority which supervise and licence industry participants. Companies are also subject to the *Corporations Act 2001*. Regulations, racing rules and licensing requirements change from time to time, and the changes could result in the Horse not being able to participate in certain races.

2.1.2 Competitors

Direct competitors to the Company's business include:

- MiRunners Australia Limited;
- Yarralong Racing Club Ltd;
- Hancox Racing No 8 Ltd;
- Racing Club No 1 Ltd;
- Racing Club No 2 Ltd; and
- Racing Club No 3 Ltd

These competitors run similar business models of acquiring, managing, training and racing horses. Horse racing syndicates also operate in the horseracing industry and are competitors to the Company. Syndicates similarly manage, train and racehorses throughout Australia and their horses may race in the same races as the Company's Horse.

2.1.3 Racing Colours

The Horse will race in Asset Racing’s registered silks. Refer below to the description.

Main Set of Colours

Jacket – White, Black and Old Gold Asset Racing Logo

Sleeves – Old Gold Sleeves

Cap – Old Gold Cap



2.2 Business assets

2.2.1 Description of the Horse

Colour	Bay
Sex	Colt
Date of Foal	27 th October 2019
Sire	Lonhro
Dam	Sports Writer
Brand	 nr sh – 68 over 9 off sh

2.2.2 The Horse selection process

The Company has purchased the Horse relying on the recommendation from Carol Walsh, Managing Director of Blueblood Thoroughbreds (Australia) Pty Ltd (“**Blueblood Thoroughbreds**”) and its bloodstock team. An invoice for the purchase of the Horse is attached to this Prospectus. Carol Walsh has operated Blueblood Thoroughbreds as a racehorse syndicator for the past 11 years.

Carol Walsh considers the following when purchasing racehorses:

- Superior quality racehorses, focusing on pedigree and conformation.
- Smart and well-tempered racehorses.
- Athleticism, strength, good bone and a nice type.
- Solid Nicks breeding crosses that favour racetrack success.

The Horse has had an independent veterinarian, Jennifer Lugton of Balanced Veterinary Services, perform a clinical inspection. The veterinarian has provided a veterinary certificate (attached to this Prospectus) specifying that the Horse is suitable and fit for racing. The veterinarian certificate discloses that the veterinarian does not have any financial or other interest in the Company or the funds to be raised from the Prospectus.

2.2.3 Purchase of the Horse

Asset Racing purchased the Horse from the 2021 Inglis Classic Yearling Sale using its credit facility (see section 2.6).

2.2.4 Current status of horse

The Horse has not been broken in and will spell at Cavallo Park NSW until the Horse is ready to be broken in around mid-March 2021.

2.2.5 Horse naming and registration

The Horse is unregistered. The Horse will be named by the Shareholders and registered once the Shares have been issued in full. The Horse will be registered within 45 days of the Shares being issued in full. Each Shareholder will have the option to submit 1 name. Once the list of names submitted by the shareholders is populated by the Manager, the Manager will select the top 3 most popular names (in order of preference) and submit them to the Registrar of Racehorses for registration.

2.2.6 Pedigree details

The Horse's sire and dam are as follows:

- **Sire – Lonhro (By Octagonal) Brown 1998 – Stud 2004**
LONHRO won 26 races between the distance of 1100m to 2000m with 11 wins coming at Group 1 Level. **LONHRO's** top performers include **Pierro**, 5-time Group 1 winner, **Exosphere**, winner of the Group 1 Golden Rose and **Lyre**, winner of the Group 1 2YO Blue Diamond Stakes.
- **Dam – Sports Writer** by Written Tycoon. 2 wins at 1000m and 1100m. This is her second foal. Her first foal is a 2YO



Photo: Lonhro – Stallion

A pedigree page for the above is attached to this Prospectus.

2.2.7 Mortality insurance

The Horse is insured with HQ Insurance for mortality, theft and life-threatening surgery extension cover from 2nd February 2021 to 28th February 2022. The sum insured is \$145,000. A certificate of currency accompanies this Prospectus. Renewal of insurance is at the discretion of the Shareholders after the insurance lapses.

2.3 The Manager

The Manager of the Horse is Asset Racing. The Manager is responsible for all aspects of the management of the racing career of the Horse, preparation of the Shareholders' annual accounts, the management of communications between the Shareholders and the stables, and the provision of all administrative services.

The Manager's responsibilities include:

- Regular communication with Shareholders by telephone, fax or email regarding training and spelling progress, and regular relay of Trainer's comments.
- Arranging open days for Shareholders to inspect their racehorses and be addressed by the Trainer.
- Provision of general day to day administrative services, provision of pursuing overdue accounts via phone call, email or post.
- Providing Shareholders with RaceDay DVDs (where available, track work and other update reports such as nominations, weights, acceptances, pre-race summary, RaceDay services, post-race summary review, organisation of disbursement of any trophies, representing the Company in relation to race day steward enquiries etc.)
- Arranging times and dates for Shareholders to inspect their horses at the stables or spelling properties.
- Assistance with RaceDay ticketing where applicable.
- Maintain professional indemnity insurance.
- Naming and registration of the Horse.
- Transfers of ownership.

2.3.1 Manager's Fees

The Manager is paid a Flat Fee of \$125.00 (incl. GST) per month per share (the equivalent of 2.5% share) to cover all horse expenses, management fee and administration costs. Each Shareholder is responsible for a proportion of the Flat Fee in accordance with section 6.3.1.

In the event that a Horse is sold, the Manager is also entitled to a sale fee of 5% (plus GST) of the sale price. In the event that a Horse is retired to stud, the Manager is entitled to 2 service rights per annum for the lifetime of the standing stallion and 5% (plus GST) of the sale price.

2.4 Significant dependencies

The Company is dependent upon key services provided by the Manager (see section 2.3) and the trainers engaged to provide training services. More details are set out regarding the trainers below.

2.4.1 Proposed trainer/s

Ciaron Maher & David Eustace are the proposed trainers for the Horse. A trainer's agreement between Ciaron Maher Racing and the Company has been executed. A letter of consent to train the Horse from the proposed trainers is attached to this Prospectus.

Their contact details are as follows:

Address: Ciaron Maher Racing
Caulfield Stables

Address: 32 Booran Rd, Caulfield East Victoria 3145
Phone: 03 9571 1455



Ciaron Maher took his first tentative steps in racing as a teenager, working with a trainer after school each day. He was an apprentice jockey with Peter Hayes in Adelaide and Melbourne before becoming an accomplished jumps jockey, competing in Australia versus Ireland jockey challenges and riding in England, Ireland and Dubai.

In 2005 he established himself as a trainer in Warrnambool, home of jumps racing. His first winner was Spectacular Storm in a hurdle race at Terang, followed up smartly by another win at Sandown. The stage was set for a successful career not only in jumps racing, but also on the flat as the stable grew. Ciaron Maher has since moved to Caulfield, where he has expansive stables on the course. He has retained facilities in Warrnambool, which suit horses in need of a country setting, and has secured new premises at Randwick. At his property in Pakenham, on the edge of Melbourne's suburbs, he has agistment and pre-training facilities.

A young trainer with an eye for picking winning prospects at yearling sales, he has built a stable of loyal owners as well as successful horses. He welcomes first-time owners as well as experienced racing hands. He is regarded as hard-working, thoughtful and, above all, patient. His promise is that every horse will be given every chance to develop its full potential.

Ciaron Maher discovered the thrill of Group 1 success in 2007 with TEARS I CRY winning the VRC Emirates stakes at Flemington.

Black type races have flowed since then, SRIKANDI winning the Group 1 AAMI Stradbroke Handicap and the Group 1 Sky Racing Tatts Club Tiara. SET SQUARE winning the Group 1 Crown Oaks and JAMEKA winning the Oaks the following year.

2.5 Strategy and plans

The Company has been set up to purchase the Horse and manage its entire racing career. The Company is offering Shareholders the opportunity to receive any benefit of race winnings and potential future breeding revenue and proceeds (after expenses).

2.6 Finance arrangements

The Company purchased the Horse from Asset Racing using a credit facility provided by Asset Racing to enable the Company to pay the purchase price of the Horse and cover the running costs of the Horse until the Company has raised sufficient capital to cover these expenses. The terms of the credit facility are as follows:

- \$145,000 in borrowings available under the credit facility.
- Drawn down funds are not subject to interest.
- The credit facility is provided on an unsecured basis.
- The Company must apply future capital raised under the Offer to repay any amounts drawn down under the credit facility at which time the facility will be terminated.

2.7 Valuation

A valuation by a qualified bloodstock valuer accompanies this Prospectus as the Horse was acquired by Asset Racing at a public auction and there is a conflict of interest in relation to the purchase.

Conflict of Interest and/or Related Party Transactions (Actual or Perceived)

At the time of purchase, the buyer BlueBlood Thoroughbreds, had a relationship with the Vendor, BBT Breeding and Racing Pty Ltd, Director Carol Walsh, who is also the Director of Blueblood Thoroughbreds. So, there is no uncertainty or doubt with the market value of the said purchase (Horse was Purchased on the 30th July 2020 from the Gold Coast Magic Millions National Weanling Sale for \$70,000 plus GST by BBT Breeding and Racing Pty Ltd), BlueBlood Thoroughbreds obtained a valuation from a registered Member of the Federation of Bloodstock Agents, namely, Mr John Ford who has over 40 years' experience in his field of expertise (refer to clause 2.7). The valuation is deemed as the market value of the horse. The reasonable remuneration for the financial benefit that the vendor received was deemed reasonable in any conflict of interest or related party transaction (Actual or Perceived) due to the horse being sold for Market Value and that market value having been established by a written valuation.

3. RISK FACTORS

3.1 Business risk factors

3.1.1 Horse racing risks

The following risks could impact the ability of the Horse to participate in races:

- Injury to the Horse in the course of its training or when participating in races;
- Sickness, disease or death of the Horse;
- The Horse could prove unsuitable for horse racing; and
- The cost of racing, including managing and training the Horse could increase leading to a reduction in any returns to Shareholders.

Horses can get sick, lame, suffer from disease, feeding disorders, pests or parasites and be unable to race or train for extended periods of time. As a result, the Company may incur significant unexpected expenses such as vet bills and rehabilitation costs. Injury or illness can affect any horse and can reduce or end a horses racing career or ability to produce as a Broodmare.

High class races have a much lower rate of injury than low class races. While this could be attributed to many factors, including the quality of the horse, economics, or medications, the trainer still must make the decision to run a horse or not to run a horse. Because leading trainers consistently get the best horses, injury rates by race class should correspond to injury rates by trainer.

Race Class	Career Ending Injury Rate	Career Ending Injuries	Starts
High	2.27%	553	243,854
Low	4.11%	2,566	624,265

Source: "Trends in Equine Mortality, 1998-2005"

https://www.aphis.usda.gov/animal_health/nahms/equine/downloads/equine05/Equine05_is_Mortality.pdf

If the Horse is unable to participate in a race, the amount of dividends payable is likely to be lower because there will be no prize money attributable to that race. If the Horse is no longer suitable for horse racing because it is permanently injured or suffers from sickness or disease, the Horse will likely be sold at a loss, and this will significantly impact the distributions Shareholders receive upon wind up of the Company.

3.1.2 Reliance on directors and key persons

The Company has no operating history and relies on the skills of the director, trainers of the Horse and Asset Racing to manage the racing career of the Horse. An investment is therefore heavily dependent on the involvement of the director and these other key persons.

The trainers of the Horse are engaged by the Company in accordance with the trainers' standard terms of trade. These standard terms allow the trainers to terminate for convenience on short notice. If this happens, the Horse may be left without a trainer until new trainers are engaged, and the terms of engagement may be on less favourable terms. However, it is likely that Asset Racing can secure alternative successful and qualified trainers by using its existing networks and experience in the industry. There will also be delays in the Horse commencing its racing career, with a corresponding increase in expenses and no ability to win prize money for a period.

The Company's ability to effectively manage the Horse's racing career and perform the necessary administrative functions depends upon the performance and expertise of the directors and Asset Racing. The loss of these key personnel, or any delay in their replacement, may adversely affect the Horse's performance or eligibility to participate in races, and this will have a negative impact on the amount of dividends to be distributed.

3.1.3 Downturn in horseracing industry

The state of the horseracing industry is largely correlated with the health of the domestic economy. If there is a downturn in economic activity, it is likely that the pool of prizemoney, the level of investment in the industry and the value of the Horse will decrease. This means that upon selling the Horse, the Company will receive less sale proceeds than if the state of the horseracing industry was healthier.

3.1.4 Changes in legislation and regulations

Changes in legislation and regulations such as the Australian Rules of Racing could affect the Horse's ability to participate in races, and therefore could affect the amount of Shareholder returns. In addition, the Company could be subject to additional legal or regulatory requirements if its business, operations or geographic reach expand in the future.

The Company is primarily subject to the Australian Rules of Racing administered by Racing Australia Limited. Each Australian State and Territory has a Principal Racing Authority which supervise and licence industry participants. The Company is also subject to the *Corporations Act 2001*. Legislation and racing rules change from time to time, and the changes could result in the Horse not being able to participate in certain races. This means the Horse will have less chance to win prize money, which will negatively impact on the amount of dividends available for distribution.

3.2 Investment risk factors

3.2.1 No guarantee of returns

Any person investing in shares should be aware that horse racing is a speculative venture with no guarantee of returns. A person subscribing to this offer should regard their shares as an entry in to racing horses for entertainment value rather than returns. There is also a risk to capital, for example, if the Horse proves unfit for racing, it may be sold off for a price less than its cost plus ongoing expenses. The best pedigree and training also cannot guarantee a winning horse. The Horse could simply lack the desire or ability to perform at the necessary level.

3.2.2 Trading in Shares may not be liquid

As the shares are not listed on any stock exchange, there is no liquid market for the shares.

Shareholders may sell their shares to a third party or an existing Shareholder. To facilitate this, the Company will maintain a register of the shares that any Shareholder wishes to make available for sale, and will inform any prospective purchaser who expresses an interest. However, the Company is legally constrained from soliciting for purchasers on behalf of sellers or otherwise make a market for shares.

4. FINANCIAL INFORMATION

4.1 Financial Affairs

Asset Racing (AUST) Ltd

ACN: 639 949 116

Lonhro x Sports Writer Shares

Balance Sheet

As at 2nd February 2021

Assets		
Current assets:	2021	2020
Cash		
Accounts Receivable		
Inventory		
Shareholders Funds	145,000	
Petty cash		
	145,000	
Fixed (Long Term) Assets:	2021	2020
Long Term Investments		
Property, Plant and Equipment		
Less accumulated depreciation		
Intangible assets		
Other assets:	2021	2020
Deferred income tax		
Other		
Total assets	145,000	-
Liabilities and owner's equity		
Current liabilities:	2021	2020
Accounts payable		-
Short -term loans	-	-
Income taxes payable	-	-
Accrued salaries and wages	-	-
Unearned revenue	-	-
Current portion of long term debt	-	-
Total current liabilities	-	-
Long-term liabilities:	2021	2020
Long-term debt		
Deffered income tax	-	-
Other		
Total long-term liabilities	-	-
Owner's equity:	2021	2020
Paid Capital	145,000	-
Unpaid Capital		
Retained earnings		
Other	-	-
Total owner's equity	145,000	-
Total liabilities and owner's equity	145,000	-

A balance sheet accompanies this Prospectus.

5. DIRECTORS AND KEY PEOPLE, INTERESTS AND BENEFITS

5.1 Board of Directors

The Company's Board comprises 3 Directors. A biography of each Director is contained in the table below.

Director	Biography
Carol Walsh	<p>Carol Walsh has consented to be a Director of RACING CLUB NO 3 LTD. Carol is also the sole Director of the prominently renowned and successful Racehorse Syndication company, Blueblood Thoroughbreds (AUST) Pty Ltd for over 8 years and has been involved in the industry for over 14 years. Carol acquired her full ASIC AFS License No. 413585 in December 2011 and has completed the ASIC Regulatory Guide 91 (RG91) Horse breeding schemes and horse racing syndicates. She is an authorised Promoter of Racing Victoria Limited and the Queensland Racing Integrity Commission which authorises the promotion of racehorses.</p> <p>Carol has been involved in the purchase of multiple Stakes winning horses including Seabrook, who won the 2018 Group 1 Champagne Stakes and the 2018 Group 2 Sweet Embrace Stakes and also contested the 2018 \$5.3M Group 1 Golden Slipper running 5th place as a 2YO, Secret Agenda (retired to stud 2018) who won the \$1M Group 1 Robert Sangster Stakes in 2017 amongst other multiple Group races with stakes earnings of \$1,549,400, She's So High who won the Group 3 Proud Miss Stakes and the Listed Incognitus Stakes in 2018, Unite and Conquer (colt) who won his debut in the Listed Maribyrnong Trial Stakes in 2018 as a 2YO, Le Mans, Berlutti and Son Of A Snitz who sold to HK for \$450,000 (all trained by Mick Price), Sedanzer who won the Group 2 Brisbane Cup and the Listed Scone Cup in 2018 (trained by Gai Waterhouse), Black Revolver, Rock Temple (trained by Chris Waller) and Encostanati (trained by Bjorn Baker)</p> <p>Carol Walsh is also the Director of the successful Racing Club No 1 Ltd which has already produced a winner namely, No More Bids (trained by Mick Price) and Racing Club No 2 Ltd's winner, namely My Diamond Girl (trained by Toby Edmonds). She is also the sole Director of a successful breeder under her company, BBT Breeding and Racing Pty Ltd which assists in her overall purchasing of Bloodstock including Stakes Performer, Yulong Baby (trained by Mick Price).</p>
Gabriel Pardi	<p>Gabriel Pardi has grown up around and been involved in the racing industry for all of his life. He attended Racing NSW and Richmond TAFE NSW course and completed a Racing Administration course with the Australian Racing and Equine Academy.</p> <p>Gabriel has assisted in the day to day management of Thoroughbreds for prominent Syndicator, Blueblood Thoroughbreds where he was part of the team that syndicated successful Group winners Seabrook, who won the 2018 Group 1 Champagne Stakes and the 2018 Group 2 Sweet Embrace Stakes, She's So High who won the Group 3 Proud Miss Stakes and the Listed Incognitus Stakes in 2018 and last but not least, stakes winner Unite and Conquer (colt) who won his debut in the Listed Maribyrnong Trial Stakes in 2018 as a 2YO.</p> <p>Gabriel was involved in the daily management of Thoroughbreds for Racing Club No 1 Ltd, which produced a winner namely, No More Bids (trained by Mick Price) and Racing Club No 2 Ltd's winner, My Diamond Girl (trained by Toby Edmonds).</p>
Jordan Pardi	<p>Jordan Pardi is a high school graduate, who has studied mechanical engineering at the University of Technology Sydney and is currently studying Finance at the Macquarie University Sydney. Jordan grew up around the racing industry and horses all his life,</p>

Director	Biography
	having lived on farms and cared for racehorses throughout his childhood with his family business. Jordan applies his constantly expanding knowledge of business through his academic education to the business and strives to use his innovative qualities to expand the opportunities available to Asset Racing's clientele.

5.2 Interests of Directors

Gabriel Pardi and Jordan Pardi are Directors of Asset Racing (AUSTRALIA) Pty Ltd and will receive benefits from the Company in relation to fees payable for administration, marketing and accounting services which will be provided by Asset Racing. The constitution of the Company allows the directors of Asset Racing to retain any profits made through this arrangement.

This arrangement is on arm's length terms and the members have approved the arrangement. The value of the benefit to Asset Racing is \$1,540 (incl. GST) per month.

In the event that the Horse is sold, Asset Racing is also entitled to a sale fee of 5% (plus GST) of the sale price under the terms of its agreement with the Company.

5.3 Corporate Directory

Directors:	Mrs. Carol Walsh Mr. Gabriel Pardi Mr. Jordan Pardi
Registered Office:	Nexus Norwest Level 5, 4 Columbia Court Norwest NSW 2153
Company Secretary:	Carol Walsh P.O. Box 6992 Norwest NSW 2153
Bankers:	ANZ Dunmore Street Wentworthville NSW 2145
Auditor:	Prospect Accountants Mr. Tim Meehan Suite 5, Level 1, 74 Doncaster Road, North Balwyn VIC 3104
Compliance Lawyers:	The Fold Legal Pty Ltd Ms. Jaime Lumsden 16 O'Connell St, Sydney NSW 2001

6. DETAILS OF THE OFFER

6.1 Structure of the offer

This Prospectus relates to an offer of 40 fully-paid Lonhro x Sports Writer shares. Each Shareholder must subscribe to a minimum of 1 Lonhro x Sports Writer fully paid share at \$3,625 per share. A person is eligible to apply to become a Shareholder provided the person separately enters into a Racing Partnership Agreement with the Company in respect of the ongoing costs and upkeep of the Horse.

6.1.1 Minimum subscription

The minimum subscription for this offer to proceed is 1 share. No shares will be issued until the minimum subscription has been achieved.

6.1.2 Maximum subscription

The maximum subscription for this offer is 40 shares.

If the maximum subscription is not achieved, Shareholders have the option to:

- Have their purchase price of their subscription amount refunded in full within 30 days; or

Retain their shares with a reduced minimum number of shares, in which case a supplementary Prospectus will be sent to all Shareholders.

6.2 Proposed use of proceeds

The total gross proceeds under the offer is expected to be \$145,000. The proceeds of the offer will be applied as follows:

	Amount	% of Total Raised
INCOME - Shareholder's Funds from the offer	\$145,000.00	
<i>Interest earned over 1 year (approximately)</i>	\$0.00	
TOTAL	\$145,000.00	
EXPENDITURE (1 YEAR)		
<i>Purchase of Horse</i>	\$110,000.00	75.86%
<i>Agistment 45 days (Track Fees, Vet Stable, Vitamins, Shoeing Drenching, Dental)</i>	\$2,010.00	1.39%
<i>Breaking In Fee</i>	\$4,000.00	2.76%
<i>Accounting and Auditing Costs</i>	\$1,000.00	0.69%
<i>Prospectus production, ASIC lodgement costs</i>	\$3,500.00	2.41%
<i>Print and Postage (over one years)</i>	\$800.00	0.55%
<i>Veterinary & Scoping costs</i>	\$250.00	0.17%
<i>Mortality Insurance (12 Months \$145,000)</i>	\$6,568.00	4.52%
<i>Advertising and Capital raising Costs</i>	\$2,400.00	1.66%
<i>Director's professional advice, licence, process and document formation fees</i>	\$2,000.00	1.39%
<i>BBT's Compliance Management Fees over one year</i>	\$1,870.00	1.29%
<i>Floating Fee from Inglis to Cavallo Park NSW to Breaker return, pre-training return</i>	\$1,187.00	0.82%
<i>BOBS & BOBS Extra Bonus Scheme</i>	\$1,830.00	1.27%
<i>Registration & Lodging Syndicate Fee</i>	\$545.00	0.36%
<i>Photographs/Footage – Pedigree software fee (Werks), video footage, etc.</i>	\$1,025.00	0.71%
<i>Golden Slipper and Blue Diamond Nominations & Inglis Race Series</i>	\$4,015.00	2.77%
<i>Legal Fees</i>	\$1,000.00	0.69%
<i>Bloodstock Fee</i>	\$1,000.00	0.69%
TOTAL	\$145,000.00	100.00%
<i>Surplus (based on full subscription)</i>	\$0.00	0.00%

6.3 Terms and conditions of the offer

Topic	Summary						
What is the type of security being offered?	Fully-paid Lonhro x Sports Writer share.						
What are the rights and liabilities attached to the security being offered?	<p>The following rights and entitlements are attached to the offered shares:</p> <ul style="list-style-type: none"> • Entitlement to dividends for profit generated by horse racing prize money; • Entitlement to potential future breeding revenue and proceeds; • The shares will rank equally on any return of capital by the Company. Upon the winding up of the Horse, any surplus monies from the proceeds of all the assets shall be distributed to Shareholders in accordance with the provision of the Corporations Act; • The Shares are full voting shares; • Subject to the Company's Constitution and the Corporations Act, Shares are freely transferable. <p>Shareholders are responsible for the payment of all costs associated with maintaining, training and racing the Horse. The estimated ongoing expenses are outlined in section 6.3.1.</p>						
What is the consideration for each security being offered?	The price of each share under offer is \$3,625.						
What is the offer period?	<p>The offer opens on 8th March 2021.</p> <p>The offer closes on 7th April 2022.</p>						
Is the offer for the issue of new securities or the sale of existing securities?	This offer is for the issue of new securities.						
When will Shareholders receive confirmation their application has been successful?	<p>Dispatch of share certificates upon successful subscription to the offer will occur by no later than 28th April 2022.</p> <p>Unsuccessful applicants will also be notified at this time and monies paid will be refunded within 30 days of the close of this Prospectus.</p>						
Are the securities listed?	The shares are not listed on any stock exchange.						
Is the offer underwritten?	The offer is not underwritten.						
Are there any escrow arrangements?	There are no escrow arrangements.						
Where will funds raised be held?	All funds raised by this Prospectus shall be held in a designated Trust Account, namely Asset Racing (AUST) Ltd Account held with the ANZ Bank at Wentworthville NSW, until such time as the offer closes or the minimum number of shares has been taken up.						
What is the Company's capital structure?	<table border="1"> <tbody> <tr> <td>Lonhro x Sports Writer shares on issue as at 8th March 2021</td> <td>40</td> </tr> <tr> <td>Maximum number of Lonhro x Sports Writer Shares to be issued under this Offer</td> <td>40</td> </tr> <tr> <td>Total on Offer completion</td> <td>40</td> </tr> </tbody> </table>	Lonhro x Sports Writer shares on issue as at 8th March 2021	40	Maximum number of Lonhro x Sports Writer Shares to be issued under this Offer	40	Total on Offer completion	40
Lonhro x Sports Writer shares on issue as at 8th March 2021	40						
Maximum number of Lonhro x Sports Writer Shares to be issued under this Offer	40						
Total on Offer completion	40						

Topic	Summary
Are there any significant taxation implications?	There may be taxation implications associated with owning and disposing of Shares. As these implications will depend upon a Shareholder's particular circumstances, all potential Shareholders are encouraged to obtain their own taxation advice in respect of acquiring, holding and selling Shares.

6.3.1 Estimated ongoing costs obligations

Each Shareholder is responsible for all the ongoing expenses and fees detailed below and incurred by the Company for managing the Horse's racing career.

Total ongoing expenses – the following horse expenses, management and administration costs are indicative and payable monthly by each Shareholder. The Manager advises that a Flat Fee of \$125.00 (incl. GST) per month per share (the equivalent of 2.5% share) OR \$250.00 (incl. GST) per month for 2 shares (the equivalent of 5% share) is payable to the Manager for all ongoing upkeep expenses.

Nomination and acceptance fees for most races are included, except for nominations for major races such as the Auction House Sponsored races such as Inglis and Magic Millions race series and the Black Type races such as Listed and Group races, for which fees are payable by the Shareholders in addition to these ongoing expenses.

The trainer's daily training rate is \$160.00 (including GST) and is included in the Flat Fee noted above. Note, the trainers' daily training rate may change subject to industry increases and this may result in changes to the Flat Fee.

Extra-Ordinary expenses – Each Shareholder is also responsible for paying any extra-ordinary expenses incurred by the Company in proportion to their Shares held. The Flat Fee only covers up to \$330 (including GST) of BASIC vet care. The Flat Fee does not include the following extra-ordinary expenses, and are not limited to:

- Floating to and from veterinarian clinics/hospitals
- Floating interstate for racing purposes
- The difference of the cost between Boxed Agistment and Regular Agistment when the horse is spelling
- Insurance renewal
- Major veterinary fees relating to surgery/injury
- Major race nomination or acceptance fees
- All travel expenses for 1 representative of the Company to attend interstate featured races (outside of NSW).

The extra-ordinary costs will be charged to the Shareholders reflective of their shareholding.

6.4 Dividend policy / prize money and sales proceeds distribution

All prize-money won by the Horse will be deposited directly into the Manager's account called Asset Racing with a Sydney branch of the ANZ Bank. In accordance with the Rules of Racing in Australia, prize-money is distributed to the Shareholders after remunerations are distributed to the trainer, jockey, welfare program and jockey insurance, and the withholding of any funds required to cover major race acceptances for which the Horse is eligible or nominated. The percentages are automatically determined by each state and may vary from State to State.

If the prize money exceeds \$15,000, Asset Racing will be entitled to 5% of the gross prize money. Gross prize money includes the prize money, breeders' bonus and incentive scheme payments.

6.4.1 Distribution from sale of Horse

In the event that the Horse is sold, the Company will be wound up and distributions to Shareholders will be made in accordance with the Corporations Act.

6.4.2 Trophies

In an event the Horse wins a trophy, the Manager will receive the original trophy in accordance with the Rules of Racing (AR.63(2)(c)) and will be entitled to retain it. If any Shareholder wishes to acquire a replica of the trophy, the Manager will endeavour to procure the same at a reasonable price and provide to such Shareholder the details of the supplier of the trophy. The Shareholder is responsible for paying for the replica trophy which they requested.

7. GLOSSARY

ASIC means the Australian Securities and Investments Commission.

AR or Company means Asset Racing (AUST) Ltd (ABN 60 639 949 116)

Asset Racing or Manager means Asset Racing (AUSTRALIA) Pty Ltd (ABN 67 640 397 039).

Board means the board of directors of the Company.

Director means a director of the Company.

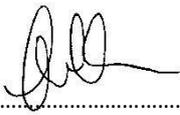
Prospectus means this document, being a Prospectus for the purpose of Chapter 6D of the Corporations Act and any supplementary or replacement Prospectus.

Share means a fully paid Rubick x One More Tequila share in the capital of the Company.

Shareholder means a registered holder of a Share.

8. EXECUTION OF PROSPECTUS

This Prospectus has been duly executed by or on behalf of each of the Directors whose name appears below on the date of this Prospectus. The Directors accept no responsibility for the information contained within this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is accurate and does not omit anything likely to affect the import of such information. Each Director of the Company consents to the lodgement of this Prospectus with ASIC.



.....
Carol Walsh
Director and Secretary



.....
Gabriel Pardi
Director



.....
Jordan Pardi
Director

9. HOW TO APPLY FOR SHARES

Applications to acquire 1 Share in the Prospectus will only be accepted on the application form attached to this Prospectus. The application form must be fully completed.

Application forms must be accompanied by payment in Australian dollars for an amount equal to the application monies. Payment can be made via cheque, direct deposit or credit card. Cheques must be made payable to "Asset Racing (AUST) Ltd" and crossed "Not Negotiable".

Alternatively, you may make payment of application monies via direct transfer to the following account:

ANZ BANK
Asset Racing (AUST) Ltd
BSB: 012 463
Account Number: 150765025

Reference: please ensure that you reference the payment in the same name as your share application form.

Applications must be for a minimum of 1 Share offered under this Prospectus. Applications may be made for additional Shares in the Prospectus in multiples of two.

The completed Application Form, together with application monies or remittance advice, must be returned to the Director by email to accounts@assetracing.com.au, fax to 02 9672 6412 or delivery to the following address:

Gabriel Pardi
Asset Racing
PO Box 6992
Norwest NSW 2153

Applicants should read this Prospectus in its entirety, before deciding to complete and lodge an Application Form.

An application constitutes an offer by the applicant to acquire 1 Share on the terms and subject to the conditions set out in this Prospectus. The Director reserves the right to reject any application, including but not limited to applications that have been incorrectly completed, or are accompanied by cheques that are dishonoured or have not cleared.

10. APPLICATION FORM

Lonhro x Sports Writer Shares

Complete in block letters and return the application form. You are advised to keep a copy for your records.

Surname: Dr/Mr/Ms/Mrs/Miss
(One name ONLY to be entered)

Given Names.....

Address

SuburbState.....Postcode

Birth Date:Occupation

Telephone BusinessHome

MobileFax

Email

These Shares will/will not be held in a Syndicate name.

Syndicate Name:..... (if applicable)

Horse Name Suggestion:

I hereby agree to become a Shareholder on the basis that I will have Share (s).

Account details of where dividends are to be deposited:

Account Name:

BSB:

Account Number:

Payment Method:

Cheque Direct Deposit Credit Card (*please fill out details below*)

Credit Card Details

Visa MasterCard Amex Diners

Card Number

Expiry

CVV Number:

Signature:

Declaration

By signing this application form, I agree and declare that:

1. I have read, understood and agree to be bound by the Prospectus.
2. I am not under any disqualification or other disability under the Rules of Racing.
3. I am over the age of eighteen years.
4. I am not an undischarged bankrupt.
5. I acknowledge that I have had the opportunity to obtain independent legal and financial advice relative to my acquisition of shares in the Prospectus.

..... Name of Shareholder

..... Signature of Shareholder

..... Date

BROWN COLT

Foaled 27th October 2019)

(SIRE)	Octagonal	Zabeel	Sir Tristram
LONHRO	Shadea	Eight Carat	Pieces of Eight
		Straight Strike	Mr. Prospector
(DAM)	Written Tycoon	Concia	First Consul
SPORTS WRITER		Iglesia	Last Tycoon
2012	Winning Team	Party Miss	Kenmare
		Danehill Dancer	Danehill
		Ginty	Bletchingly

LONHRO (AUS) (Brown 1998-Stud 2004). 26 wins-2 at 2, VRC Australian Cup, Gr.1. Champion Sire in Aust. in 2010-11. Sire of 1271 rnrs, 923 wnrs, 90 SW, inc. Piero (ATC Golden Slipper S., Gr.1), The Conglomerate, Bounding, Mental, Impending, Denman, Beaded, Kementari, Exosphere, Lyre, Aristia, Benfica, Pinwheel, Heatherly, Wawail, Academus, Messene, Cardsharp, Encryption, War Heroine, Holding Gold, Isotherm, Souchez, Ghisoni, Lonhspresso, etc.

1st Dam

SPORTS WRITER, by *Written Tycoon*. **2 wins** at 1000m, 1100m. This is her second foal. Her first foal is a 2YO.

2nd Dam

WINNING TEAM, by *Danehill Dancer (Ire)*. Placed at 3. Dam of 8 foals, 6 to race, **all winners**, inc:-

IT IS WRITTEN (Written Tycoon). **11 wins** at 1000m, 1200m, A\$788,723, MRC Testa Rossa S., **L**, MVRC Abell S., L-twice, Epworth Radiation Oncology H., 2d MVRC Australia S., **Gr.2**, 3d MVRC Australia S., **Gr.2**, Chandler Macleod S., **L**, Abell S., **L**-twice.

Lilly the Filly. **2 wins** at 900m, 1000m, 2d BRC Food & Wine Raceday H.

Team Lago. **4 wins** at 1500m, 1600m.

Ragazza Veloce. **2 wins** at 1000m.

Sports Writer. **2 wins**. See above.

Bad Medicine. **Winner** at 1600m.

3rd Dam

GINTY, by *Bletchingly*. **4 wins-1** at 2-to 1300m, AJC Te Poi H., STC Parramatta Leagues Club H., 2d SAJC Pelican Point H., 3d VRC Rom's Stilletto H., AJC Pretty Polly H., STC Parramatta Lancers H., Springwood 2YO H., SAJC Court Sabre 2YO H. Dam of 4 named foals, 3 to race, **2 winners**, inc:-

Left Behind. **9 wins** to 1100m.

Movahead. **4 wins** in Philippines. Producer.

Winning Team. See above.

4th Dam

REBECCA GAY, by *Lord of the Dance (USA)*. **4 wins-2** at 2-from 1000m to 1600m, A\$106,220, VRC Edward Manifold S., **Gr.2**, SAJC Walter Brown S.H., **L**, Royal Shah H., Nandalie Lass H., 2d MVRC Veuve Clicquot S., **Gr.2**, VRC Cornwall Park-Milady S., 3d VATC One Thousand Guineas, **Gr.1**, SAJC Swettenham Stud S., **Gr.3**-twice, VATC Stubby S., 4th VRC Frances Tressady S., **Gr.3**. Dam of 11 foals, 7 to race, **3 winners**, inc:-

Mail Train (Success Express (USA)). **5 wins** from 1600m to 2050m, A\$86,160, BTC Australasian Shopfitting H., Zupps H., 3d QTC Easter Cup, **L**. Sire.

Ginty. **4 wins**. See above.

Something Special. **3 wins** at 1300m, 1400m, AJC Tellers H., 2KY Racing Radio H. Dam of-

WINTER KING (One Cool Cat (USA)). **7 wins-3** at 2-at 1000m, 1100m, A\$586,525, STC Starlight S., **L**, 2d MRC Schillaci S., **Gr.2**.

HOW GOOD IS HE (Fasliyev (USA)). **4 wins-1** at 2-at 1000m, A\$104,550, MVRC Mitchell McKenzie S., **L**, 2d MRC 2005 AAMI Blue Diamond Entries 2YO H.

Dens Park. Placed.

5th Dam

LOCKLEYS, by *Sir Dane*. **6 wins-2** at 2-from 1000m to 1850m, SAJC Cheltenham S., Gr.3, Erindale H., Helmsdale H., Trafalgar Welter H., Flying H., Pelham H., 2d SAJC Agincourt H., Hastings H., Kingsford Smith H., Masefield H., Moana S., Sorority S., 3d SAJC Birthday Cup, Gr.3, George Adams Tatt's P.H., Gr.3, Sandringham H., Huntingdon H.

Dam of 10 foals, 7 to race, **5 winners**, inc:-

REBECCA GAY (Lord of the Dance (USA)). **4 wins**. See above.

LOCKLEY'S DAUGHTER (Lord of the Dance (USA)). **6 wins-3** at 2-to 1200m, A\$139,630, VATC Blue Diamond Prelude, **Gr.3**, SAJC Christmas H., **Gr.3**, Heir Apparent H., 2d SAJC National S., **L**, 3d MVRC Veuve Clicquot S., **Gr.2**, SAJC Morphetville Sprint H., **L**. Producer.

Pre-Eminence (Bletchingly). **4 wins-1** at 2-at 1000m, 1200m, AJC Manpower Temp Service Welter H., 2d AJC Royal Sovereign S., **Gr.3**, VRC Myer Fashion S., **L**.

New York. **Winner** at 2, VATC Lilydale H.

Lockley's Image. **4 wins** to 1450m.

6th Dam

Sally Yang, by *Rego (Ire)*. **6 wins-1** at 2-from 4½f to 1m, STC Granville S., 2d AJC Reginald Allen H., L, STC Novice H., 3d AJC Kia-Ora H., STC Auburn S., 2YO H. Dam of 9 named foals, all raced, **5 winners**, inc:-

LOCKLEYS (Sir Dane). **6 wins**. See above.

Mantilla (Hametus (Ire)). **3 wins-2** at 2-at 1000m, 1400m, AJC Maltine H., Smithfield H., 2d AJC Keith Mackay H., L. Redane. **9 wins-3** at 2-to 1400m, 2d AJC Hammondville H.

Rullah Luck. **Winner** at 1000m. Producer.

Paleface Poppy. **Winner** at 2.

Nearang. Placed.

4th March 2021

Carol Walsh
Asset Racing AUST Ltd
PO Box 6992
Norwest NSW 2153

Dear Carol

RE: Training the 2019 Lonhro x Sports Writer Colt

We, Ciaron Maher & David Eustace, hereby agree to train the **2019 Lonhro x Sports Writer Colt** for the syndicate being formed by Asset Racing from our stables at Caulfield and/or Warwick Farm in accordance with our standard terms of trade.

LONHRO won 26 races between the distance of 1100m to 2000m with 11 wins coming at Group 1 Level. **LONHRO**'s top performers include **Pierro**, 5-time Group 1 winner, **Exosphere**, winner of the Group 1 Golden Rose and **Lyre**, winner of the Group 1 2YO Blue Diamond Stakes.

The Dam, **Sports Writer** by **Written Tycoon**. 2 wins at 1000m and 1100m. This is her second foal. Her first foal is a 2YO.

We are very pleased to be training the colt for Asset Racing. We also give permission for Asset Racing to list ourselves as the trainers in any advertisement in relation to the colt and advise we have no previous association or any financial interest with this horse.

We look forward to having him in our stable.

Regards,



Ciaron Maher
Trainer



David Eustace
Trainer

18/02/21

VETERINARY SYNDICATION REPORT FOR

Horse: Sports Writer_Lonhro'19
Microchip: 985100012167249
Signalment: Brown Yearling Colt
Brands: NS. Kingstar OS. 68 over 9
Owner: Asset Racing

This report is to certify that I examined the above-mentioned horse on the 16/02/21 at Cavallo Park in North Richmond. Within the limits of the examination the horse appeared to be in good health and body condition. There was no evidence infection or disease, previous abdominal surgery, laminitis or ataxia. There was no evidence of lameness at the walk or the trot. No significant abnormalities were detected on palpation of the limbs, examination of the eyes or on auscultation of the heart and lungs. No specialized procedures such as endoscopy or radiography were requested or performed. Based on my examination, I find the horse suitable for syndication for racing.



Dr Jennifer Lugton BVSc (hons) N9503
Balanced Veterinary Services

This certificate has been prepared as part of the disclosure statement for the syndication of the horse described above. This certificate may be relied upon by potential investors; however it does not constitute a "Pre-Purchase" examination. I certify that I have no current, nor contemplate any future interest in the horse, other than to supply a veterinary opinion of the suitability for racing.

Furthermore, I am aware that this report may be used by Asset Racing for the purposes of syndicating and selling shares in the horse described above. If you have any queries please do not hesitate to contact me.



Certificate of Insurance

Asset Racing Australia Pty Ltd
PO Box 6992
BAULKHAM HILLS NSW 2153

Date: 10.02.2021
Invoice No: I1072055

We confirm insurance has been arranged in accordance with the details shown below and subject to the premium having been paid.

Class RUR - Bloodstock - SHQI **Policy No.** SRUK0000195/2021

Placed With Swiss Re International SE, UK Branch
Per Galileo Underwriting Agency LLP
30 St Mary Axe LONDON EC3A 8EP

Period 08.02.2021 to 28.02.2022

Summary of Cover

BLOODSTOCK INSURANCE SCHEDULE

ASSURED: Asset Racing Australia Pty Ltd
and others for their respective rights and interests.

TYPE OF COVER: All Risks of Mortality

1 Description: Unnamed (Lonhro x Sport's Writer)
DOB: 2019 Sex: **Colt** Use: **Rearing/Training**
Sum Insured: \$ 145,000 Interest: **100** % State: **NSW**

TOTAL LIMIT OF UNDERWRITERS LIABILITY: \$ 145,000

SITUATION: Whilst anywhere in Australia/New Zealand including transit within and between said countries.

Swiss Re Policy Wording Version 9

STANDARD CLAUSES INCLUDED IN YOUR POLICY:

Full Mortality as per Australian Wording LMA 3069
Agreed Value Clause
Surgical Operations Clause LMA5107
Terrorism Exclusion Endorsement NMA2920

Specialist:
All classes of Bloodstock
and Equestrian Horses
ABN 82 466 328 080

John Ford

Bloodstock Agent and Consultant
Exporter of Bloodstock, Racehorses
and Equestrian Horses

P.O. Box 64 Oakleigh
Victoria Australia 3166

Telephone: (03) 9544 4895
Mobile: 0419 355 981
Email: johnford@ozemail.com.au

16th February 2021

5 St. Andrews Court, Mount Waverley,
Victoria, Australia 3149

Asset Racing (Aust) Ltd.
P O Box 6992.
Norwest. 2153.
New South Wales.

BLOODSTOCK VALUATION

Re: Un-named Brown Thoroughbred Colt Foaled 27th October 2019.

Sire: "Lonhro" Dam: "Sports Writer" by "Written Tycoon".

Brands: Star Inside Crown Near Shoulder. 68 over 9 Off Shoulder.

The Valuation of the above-mentioned Thoroughbred Colt is being provided on the understanding that it will be included in a Disclosure Statement to be issued for a Partnership being formed, in respect of the above-mentioned Colt, by Asset Racing (Aust) Ltd P O Box 6992. Norwest. 2153. New South Wales.

I confirm that I have not carried out a physical inspection of the above-mentioned Thoroughbred Colt, however I believe this Colt to be of good conformation and in good health and condition, and suitable for Racing purposes.

The Sire of the above-mentioned Colt namely "**Lonhro**", by **Octagonal (NZ)**, is a stakes-winner of 26 races and A\$5,790,510. in stakes inc. Gr.1 VRC Australian Cup, Gr.1 MRC Caulfield Guineas, Gr.1 AJC Queen Elizabeth Stakes, Gr.1 AJC George Main Stakes, Gr.1 AJC Chipping Norton Stakes, Gr.1 VRC L.K.S. Mackinnon Stakes, Gr.1 STC George Ryder Stakes, Gr.1 MRC Caulfield Stakes, Gr.1 MRC C.F. Orr Stakes etc.

The sire of "**Lonhro**" namely "**Octagonal**" (NZ) was a stakes-winner of 14 races and A\$5,892,231. in stakes inc. Gr.1 MVRC W.S. Cox Plate, Gr.1 VRC Australian Cup, Gr.1 AJC Australian Derby, Gr.1 STC Mercedes Classic-H.E. Tancred Stakes, Gr.1 AJC Chipping Norton Stakes, Gr.1 AJC Sires' Produce Stakes, Gr.1 MRC Underwood Stakes etc.

"**Octagonal**" (NZ) is the sire of 520 winners of over A\$42m. in stakes inc. 25 stakes-winners and 30 stakes-placed progeny. Stakes-winners inc. Lonhro, Niello, Laverstock, Suntagonal, Hosannah, Spinney, Boreale, Hierogram, Sky Love, Star of Octagonal, Diamond Deck, Heptonstall, Shannara, Jeremiad, London, Warm Love, Dossier, Sermon, Omens etc.

The Dam of "**Lonhro**" namely "**Shadea**" (NZ), by "**Straight Strike**" (USA), was a stakes-winner of 2 races inc. Gr.3 STC Sweet Embrace Stakes and the dam of 7 winners inc. **Lonhro** stakes-winner of 26 races, Niello stakes-winner of 4 races, Shannara stakes-winner of 4 races, Spikes 1 win, Noblesse 3 wins, Eighto 2 wins, Sibylline 1 win.

"**Lonhro**" is the sire of 919 winners of over A\$135m. in stakes inc. 90 stakes-winners and 73 stake-placed progeny. Stakes-winners inc. Pierro, Impending, Exosphere, Denman, Kementari, The Conglomerate, Lyre, Aristia, Bounding, Beaded, Mental, Benfica, Pinwheel, Academus, Wawail, Parables, Obsequious, Isotherm, Encryption, Ghisoni, Heatherly, Messene, Souchez, O'Lonhro, Sessions, Holding Gold, Lonhspresso, Cardsharp, Banish, Raspberries, Sweynesse, Generalife, Skytrain, Celts, Trim, Demerit, Old North, Roheryn, Athiri, Jolly Banner, Soothing, Plague Stone, Dysphonia, Launay, Beirut, Screen etc.

The Dam of the above-mentioned Thoroughbred Colt namely "**Sports Writer**", by "**Written Tycoon**", is the winner of 2 races and this colt is her second foal.

The sire of "**Sports Writer**" namely "**Written Tycoon**" is a stakes-winner of 6 races and A\$472,501.00. in stakes inc. Gr.2 STC Silver Stakes, Gr.3 VRC Standish Hcp.

“Written Tycoon” is the sire of 606 winners of over A\$86m. in stakes inc. 41 stakes-winners and 26 stakes-placed progeny. Stakes-winners inc. Pippie, Ole Kirk, Tycoon Tara, Music Magnate, Booker, Written By, Despatch, Tyzone, Capitalist, Odeum, Luna Rossa, Super Cash, Howmuchdoyouloveme, Rich Enuff, Winning Rupert, Dirty Work, Teleplay, Enthaar, Hightail, Sexy Eyes, Vibrant Rouge, Double You Tee, Trump, Rich Hips, Written Beauty, Finance Tycoon, Written Dash, It Is Written, Grande Rosso, Hot Dipped, Grand Tycoon, Balf’s Choice, Banquo, Media Baron, Kissonallforcheeks, Stageman, Shakespearean Lass, Mission Tycoon, Overplay, Danger Close, Written Up.

“Written Tycoon” is to date the sire of the dams of 21 winners and 8 place-getters and over \$1.9m. in stakes inc. 1 stakes-winner and 1 stakes-placed progeny.

Stakes-winner Pancho 4 wins. Stakes-placed Osamu. Winners inc. War Correspondent 3 wins, Red Roger 1 win, Beluga 2 wins, Lincoln Fury 2 wins, Randolph 4 wins, Dram of Delago 3 wins, Taliano 2 wins, Preliminaries 2 wins, Forged in Stone 2 wins, Delago Thunder 2 wins, Tags 2 wins, Zounami 2 wins, Graciebird 1 wins, Toyz on Fire 1 win, Yangarra Rose 1 win, Atkinson 1 win, Potentia 1 win, Sassy Rebel 1 win, Perseids 1 win, Tycoon Ronnie 1 win.

The 2nd Dam namely **“Winning Team”**, by **“Danehill Dancer” (IRE)** is the placed dam of 6 winners inc. It is Written stakes-winner of 11 races, **Sports Writer** 2 wins, Lilly the Filly 2 wins, Team Lago 4 wins, Regazza Veloce 2 wins, Bad Medicine 1 win.

The 3rd Dam namely **“Ginty”**, by **“Bletchingly”**, was the winner of 4 races and the dam of 2 winners inc. Left Behind 9 wins, Movahead 4 wins, **Winning Team**-placed.

The 4th Dam namely **“Rebecca Gay”**, by **“Lord of the Dance” (USA)**, was a stakes-winner of 4 races and the dam of 3 winners inc. Mail Train stakes-placed winner of 5 races, **Ginty** 4 wins, Something Special 3 wins (dam of Winter King 7 wins, How Good is He 2 wins).

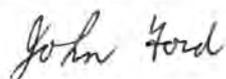
In my opinion, following a review of the Pedigree and Family Details of the above-mentioned Thoroughbred Colt, I consider the present Market Value of this Colt to be A\$110,000.00. (One Hundred and Ten Thousand Australian Dollars)

This Valuation is inclusive of GST.

This Valuation is subject to this Thoroughbred Colt passing a Veterinary Examination for Suitability for Racing purposes, carried out by a recognized Equine Veterinary Surgeon.

I certify that I have no current or contemplated interest in the above-mentioned Colt other than the supply of the above Bloodstock Valuation for a professional fee.

Yours Faithfully,



John Ford. Bloodstock Agent and Consultant
Member of Federation of Bloodstock Agents Australia Limited.

TAX INVOICE

Asset Racing (AUST) LTD
ABN: 60 639 949 116

Invoice Date
8 Mar 2021

Invoice Number
INV-0006

Reference
Lonhro x Sport's Writer

ABN
67 640 397 039

Asset Racing (Australia)
Pty Ltd
PO BOX 6992
NORWEST NSW 2153
AUSTRALIA

Description	Quantity	Unit Price	GST	Amount AUD
Purchase of Lonhro x Sports Writer colt	1.00	100,000.00	10%	100,000.00
Horse Expenses and Fees	1.00	31,818.18	10%	31,818.18
			Subtotal	131,818.18
			TOTAL GST 10%	13,181.82
			TOTAL AUD	145,000.00

Due Date: 8 Mar 2022

PAYMENT ADVICE

To: Asset Racing (Australia) Pty Ltd
PO BOX 6992
NORWEST NSW 2153
AUSTRALIA

Customer Asset Racing (AUST) LTD
Invoice Number INV-0006
Amount Due 145,000.00
Due Date 8 Mar 2022

Amount Enclosed

Enter the amount you are paying above

Asset Racing (AUST) Ltd

ACN: 639 949 116

Lonhro x Sports Writer Shares

Balance Sheet

As at 2nd February 2021

Assets		
e Current assets:	2021	2020
Cash		
Accounts Receivable		
Inventory		
Shareholders Funds	145,000	
Petty cash		
	145,000	
e Fixed (Long Term) Assets:	2021	2020
Long Term Investments		
Property, Plant and Equipment		
Less accumulated depreciation		
Intangible assets		
e Other assets:	2021	2020
Deferred income tax		
Other		
Total assets	145,000	-
Liabilities and owner's equity		
e Current liabilities:	2021	2020
Accounts payable		-
Short -term loans	-	-
Income taxes payable	-	-
Accrued salaries and wages	-	-
Unearned revenue	-	-
Current portion of long term debt	-	-
Total current liabilities	-	-
e Long-term liabilities:	2021	2020
Long-term debt		
Deferred income tax	-	-
Other		
Total long-term liabilities	-	-
e Owner's equity:	2021	2020
Paid Capital	145,000	-
Unpaid Capital		
Retained earnings		
Other	-	-
Total owner's equity	145,000	-
Total liabilities and owner's equity	145,000	-

Partnership Agreement

2019 Brown Colt by Lonhro out of Sports Writer

A. The Horse Ownership

The Horse will be registered with the Registrar of Racehorses once the Shares have been sold.

B. The Syndicate Manager

The Manager of the Syndicate will be Asset Racing (AUSTRALIA) Pty Ltd (Directors: Mr. G. Pardi & Mr. J. Pardi).

The Syndicate Manager will be required to manage the Syndicate in accordance with the terms of this Partnership Agreement (PA) and any rules, regulations or guidelines made by the Rules of Racing in respect of such manager or management. The Manager is responsible for all aspects of the management of the racing career of the Horse, preparation of the Syndicate's annual accounts, the management of communications between the Shareholders and the stables, and the provision of all administrative services.

The Partnership Agreement legislated under Sections A to L can be revised or amended, deleted or added to at the discretion of the Syndicate Manager, being part or wholly modified.

C. Horse Description

Colour	Brown
Sex	Colt
Date of Foal	27th October 2019
Sire	Lonhro
Dam	Sports Writer
Brand	 nr sh – 68 over 9 off sh

D. Nature of Shareholdings

- a. The Horse shall be owned by the Shareholders, the equivalent of 100%.
- b. No person disqualified under the Rules of Racing shall be eligible to become or to continue as a member of the Partnership.

E. Naming of Horse

The Horse is unregistered. The Horse will be named by the Shareholders and registered once the Shares have been fully sold. The horse will be registered within 45 days of the Shares becoming fully sold. Each shareholder will have the option to submit 1 name. Once the list of names submitted by the Shareholders is populated by the Manager, the Manager will select the top 3 most liked names (in order of preference) and submit them to the Registrar of Racehorses for registration.

F. Proposed Fixed Flat Fee and Other Obligations

- a. **Fixed Ongoing Expenses** – the following horse expenses, management and administration costs are indicative and payable monthly by each Shareholder. The Manager advises that a Fixed Flat Fee of \$125.00 (incl. GST) per month per share (the equivalent of 2.5% share) OR \$250.00 (incl. GST) per month for 2 shares (the equivalent of 5% share) is payable to the Manager for all ongoing upkeep expenses.

All prices include GST (where applicable). The first monthly Fixed Flat Fee will be due on 1st May 2021.

Potential Shareholders must be aware that the Fixed Ongoing Expenses may vary slightly in the future, depending on whether the suppliers, such as the trainer, increases their daily rate and therefore this would increase the monthly Fixed Flat Rate slightly. Asset Racing will validate where applicable.

Extra-Ordinary Expenses – Each Shareholder is also responsible for paying any extra-ordinary expenses incurred by the Company in proportion to their Shares held. The Fixed Flat Fee only covers up to \$330 (including GST) of BASIC vet care. The Fixed Flat Fee does not include the following extra-ordinary expenses, and are not limited to:

- Floating to and from veterinarian clinics/hospitals
- Floating interstate for racing purposes
- The difference of the cost between Boxed Agistment and Regular Agistment when the horse is spelling
- Insurance renewal
- Major veterinary fees relating to surgery/injury
- Major race nomination or acceptance fees
- All travel expenses for 1 representative of the Company to attend interstate featured races (outside of NSW).

The extra-ordinary costs will be charged to the Shareholders reflective of their shareholding.

Fees on early termination are payable up to and including the final date of the Shareholder's ownership.

b. Inclusions in the Fixed Ongoing Expenses – The Fixed Flat Fee includes Nomination and acceptance fees for most races, except for nominations for major races such as the Auction House Sponsored races such as Inglis and Magic Millions race series and the Black Type races such as Listed and Group races, which fees are payable by the Shareholders in addition to the Fixed Flat Fee.

c. Procedure of Monthly Direct Debit for Fixed Ongoing Expenses -

- i. each Shareholder will pay monthly, the Fixed Flat Fee which will be Direct Debited on the 1st of each Month.
- ii. the Trainer and other Third-Party Service Provider fees are included in the Monthly Fixed Flat Fee.

d. Trainers and Suppliers Fees – are billed 100% to Asset Racing in arrears for the previous month's fees and expenses and payable by Asset Racing. These fees are incorporated in the Monthly Fixed Flat Fee.

PLEASE NOTE: the trainers daily training rate may change subject to industry increases and forms part of the Fixed Flat Fee and is not charged on top of the Fixed Flat Fee.

e. Fixed Flat Fee (FFF) – the following horse expenses are indicative and payable monthly by each Shareholder. The Manager advises that a Fixed Flat Fee of \$125.00 (incl. GST) per month per share (the equivalent of 2.5% share) OR \$250.00 (incl. GST) per month for 2 shares (the equivalent of 5% share) is payable for ongoing upkeep expenses.

The Fixed Flat Fee includes the maintenance of the Horse and Syndicate members such as:

- Spelling, Pre-Training & Training Fees.
- Horse Floating.
- Syndicate Manager's interstate travel expenses.
- Farrier, chiropracting, drenching.
- Basic Vet care (up to \$300).
- Asset Racing's Management/Administration Fees.
- Regular communication to our owners by Asset Racing's dedicated Racing Manager.
- Provision of general day to day administration services.
- Levying and collecting fees from Syndicate Members.
- Payment of all accounts to suppliers relating to the horse.
- Enforcing and following up Default payments.
- Arranging dates and times for Owners to inspect their horses at the stables or spelling properties.
- Assistance with RaceDay ticketing (where applicable).
- Transfer of Ownerships (where applicable).

- Registering Ordinary Syndicates (where applicable).
- Naming and Registration of the Racehorse.
- Liaise with the financial Ombudsman office.
- Maintain Professional Indemnity Insurance.
- Arranging open days for partners to inspect their racehorses and be addressed by the Trainer.
 - Providing Shareholders with RaceDay DVD's (where available, track work and other update reports such as nominations, weights, acceptances, pre-race summary, RaceDay services, post-race summary review, organization of disbursement of any trophies, representing the syndicate in relation to race day steward enquiries etc.)

f. **Default** – Should any Shareholder neglect payment of the Fixed Ongoing Expenses as described in Section F(a) of the PA for a period in excess of fourteen (14) days, the following may occur:

i. If payment defaults on or around the 1st of the month (when payment is due), Asset Racing's Accounts Department will contact the Defaulting Shareholder via email, mail or fax to issue an Overdue Notice for the failure of payment giving the Defaulting Shareholder 7 days to forward full payment of the outstanding amount. Should payment not be received within that 7-day period, a First Default Notice, requesting immediate payment, will be issued via email or fax and a formal letter will be posted by the Syndicate Manager, giving the Defaulting Shareholder a further 14 days to make contact with Asset Racing's Accounts Department to finalise their outstanding account. Should payment not be received within that 14-day period, a Second Default Notice will be issued, giving the Defaulting Shareholder a further 14 days to make payment. The Shareholder must still pay their new statement by the 1st of the next month. Should payment not be received within that 14-day period, a Final Notice (Share Repossession Pending) will be issued via email or fax and a formal letter will be posted by the Syndicate Manager, giving the Defaulting Shareholder a final 7 days to make payment of the total amount owing. Failure to comply with the Final Notice (Share Repossession Pending), will result in proceedings by Asset Racing to confiscate and take possession of the shareholdings of the Defaulting Shareholder to recover any outstanding debts, by means of sale of the shares by Public Offer. Without any further notice, the Defaulting Shareholder shall cease to be a Shareholder and will have no interest in the assets and income of this said Partnership. The Syndicate Manager has the right to suspend a Shareholder's entitlement whilst in default.

ii. Should the Defaulting Shareholder's payments fail 3 times within a 12-month period, then they may forfeit any rights and privileges of the Partnership and furthermore, the Syndicate Manager will have the right to sell the shareholding/s by Public Offer at the Defaulting Shareholder's expense to recover the debt of the Defaulting Shareholder. The Defaulting Shareholder will not be entitled to receive any compensation for the confiscated or repossessed interest in the Partnership or receive any further payment out of the assets or profits of the Partnership.

iii. Shareholders who pay their Fixed Flat Fee via direct deposit are advised that should their payment be late over 2 consecutive months, they lose the privilege of paying directly and will be placed back onto our direct debit payment method which is a policy of Asset Racing.

iv. Furthermore, the Shareholder's account may be passed onto a Debt Collector for recovery and will attempt to establish monetary protection of industry suppliers and this Syndicate. The Lead Regulator have placed a regulation that all suppliers, trainers, etc. are to be paid in a timely fashion by Shareholders, Syndicates and Syndicate Managers to maintain their accounts and prevent a horse from continuing work.

v. If a shareholder defaults on payment and is overdue more than 30 days, interest at the rate of 10% per annum will be charged and invoiced on the following month's bill.

vi. The purchase and sale of the Share/s of the Defaulting Shareholder will be effective as soon as practicable after the price has been determined and the Syndicate Manager will execute as trustee of the Defaulting Shareholder all such documents and do all things as are necessary to complete such sale and purchase. The Shareholder in default hereby nominates, constitutes and appoints the Syndicate Manager under power of attorney to execute and implement procedures as will be necessary to sell, convey and assure a buyer the Share or Shares so sold.

Fees on early termination are payable up to and including the final date of the Shareholder's Ownership.

G. Ownership, Redemption and Withdrawal

Ownership

Each Shareholder of not less than 2 shares (5% share) of the horse will be entitled to have his/her name appear in the racebook as a co-Shareholder of the horse. If a share is owned jointly by 2 or more people, the Syndicate Manager will be entitled to require those persons to, at their own cost, register an ordinary syndicate and to own the share in the name of that syndicate.

Each Shareholder hereby authorises the Syndicate Manager to do all things required to be done by a Shareholder in order to conform to the requirements of this Partnership Agreement and the Rules of Racing, including without restriction, authority to sign on behalf of the Shareholder all documentation required to be signed by the Shareholder and lodged with the Registrar of Racehorses to give effect to any application for registration of the Horse and/or transfer of ownership.

Redemption and Withdrawal

Shareholders in this Racing Partnership subscription must be aware that when purchasing a share/s you become the Shareholder of that said share/s. Shareholders are obligated for the life of the Syndicate as Shareholders of the share/s, and are not permitted to rescind on their obligations and must adhere to the Proposed Fixed Flat Fee and Other Obligations in Section F of the PA. Shareholders will have no right to have your shares in the Syndicate redeemed or bought back prior to the termination or winding up the syndicate.

Before purchasing a share, each Shareholder should consider the purchase of the share as a long-term investment for the life of the Syndicate. The Syndicate Manager will not be obligated to sell a share on behalf of the Shareholder. In the event that the Promoter or Syndicate Manager sells a share/s on behalf of a Shareholder, the Promoter/Syndicate Manager will be entitled to charge a practical commission in consideration for arranging the sale.

A Shareholder will not be able to offer for purchase, or issue invitations to buy Shares, unless the prospective purchaser is provided with a Syndicate Agreement prepared by the Syndicate Manager in accordance with the provisions of the PA. There will be no ready market for the Shares.

The Syndicate Manager will be obliged to sell a Share on behalf of a Shareholder. The Syndicate Manager can offer the existing Shareholders the resale of a Shareholders shares who is seeking to exit the Syndicate and upon reaching an agreement of resale price, Asset Racing will be entitled to a 5% sales commission fee (plus gst) on the gross resale price. Asset Racing or any affiliated or external participants may make an offer to purchase the exiting Shareholders share/s and if agreed upon by both parties, will take over the resale shares and the risk from the date of the Transfer of Ownership. Asset Racing or any external participant may seek market to resell the share/s or keep and race the horse.

In the event that a shareholder has made the decision to leave or sell his/her share, they must first offer the sale of that share/s within the syndicate. Should a horse be injured or incapacitated to race while recovering from an injury, Asset Racing may not Offer the Share for Sale until the horse has fully recovered.

Fees on early termination are payable up to and including the final date of the Shareholder's ownership.

H. The Manager's Responsibilities

a) The Manager is Asset Racing. The Directors of Asset Racing are Gabriel Pardi and Jordan Pardi. The Manager is responsible for all aspects of the management of the racing career of the Horse, the management of communications between the Manager and the stables and will make decisions on behalf of the Shareholders pertaining to the Horse on offer.

b) The Manager shall be the first registered Shareholder in the Racing Partnership. The Manager's duties include:

i. Liaising with the Trainer and keeping all Shareholders current with the progress of the Horse.

ii. Keeping a register noting the names and addresses of each Shareholder and the number of shares held by each, the date on which the Shareholder entered in the Register of Racehorses and the date on which any person ceased to be a Shareholder.

iii. Notifying the Principal Racing Authority and Registrar of Racehorses in writing of every change in a Shareholder of the Racing Partnership, every change in the percentage of a Shareholder's Share in the Racing Partnership and every change in a Shareholder's address within a period of FOURTEEN (14) days of the change.

iv. Complying punctually in all respects with the requirements of the Rules of Racing, local Rules of Racing, the Principal Racing Authorities, the Registrar of Racehorses, ASIC and the Corporations Act 2001 from time to time in relation to the Horse and the Racing Partnership.

v. Representing the Shareholders in any official barrier draws, trophy presentations and any promotions/media events regarding the Horse.

c) The Manager may at any time give the Shareholders not less than one months' notice in writing of his/her intention to retire as Manager and will cease to have any rights and obligations as Manger from the date of that notice.

I. Distribution from Sale or Stud and or Breeding

In the event that the Horse is sold or is deceased or stolen, a 5% (plus gst) sale fee of the sale price is payable by the Shareholders to Asset Racing. (Should a valuation be required to determine the sale price, this will be acquired at the Shareholder's expense, by a bloodstock valuer who is a member of the Federation of Bloodstock Agents (FBA). Should the Horse go to Stud and or Breeding, Asset Racing will be eligible to TWO (2) lifetime service rights per annum for the lifetime of the standing stallion and 5% (plus gst) of the sale price (only in the event of the horse being an entire and being retired to stud).

Irrespective of whether or not the Syndicate Manager, being Asset Racing, is voted off as the syndicate manager of the Horse, Asset Racing will have the right to negotiate stud and breeding of the said Horse of this Partnership Agreement.

Breeding fillies at the end of its race career - Should 51% of Shareholders vote to retire or send a filly/mare to a good home, Asset Racing has the discretion and first right of refusal to put together a breeding partnership (this may be with a company/business/stud farm) and give all Shareholders the opportunity to remain Shareholders in the partnership or sell or relinquish their shares. A 50% vote is required by Shareholders in order to breed a filly/mare if they decide not to retire or sell a filly/mare and Shareholders should note that a new Breeding Partnership Agreement (BPA) will replace this Partnership Agreement (PA) by a related, but separate entity.

J. Meetings/Decisions

i. In the event that the horse is a colt/entire and the horse needs to be gelded all shareholders must achieve a 51% majority vote (if the vote is tied, the Syndicate Manager has the casting vote) to keep the horse as an entire unless written expert advice is obtained by a veterinarian, trainer and the Syndicate Manager that the necessity of the horse requires to be gelded due to the well-being of the horse and safety of the track riders and training staff.

ii. The trainer, as stated in Section 2.3.1 of the Prospectus, is the first appointee by the Syndicate Manager. The Syndicate Manager will arrange for the trainer to train the horse and prepare the horse for training. The Syndicate Manager may at any time, remove the trainer and either engage the services of another appropriately licensed person to act in that capacity. The new trainer may be interstate and not within the same jurisdiction of the initial trainer. The Syndicate Manager will confer with all Shareholders with regards to a change of trainer before a decision is made.

iii. In the event that a Shareholder has made the decision to leave or sell his or her share, they must first offer the sale of that share/s within the syndicate. Under no circumstances is it the responsibility of Asset Racing to sell the share/s on behalf of the shareholder. It is the full responsibility of the Shareholder to maintain their shareholding until such time that the share is either sold or relinquished. It is an ownership much like the purchase of a property or home and is for the term of the racing career of the horse.

iv. Asset Racing can be removed or replaced as Manager of the Career of the Horse if a memorandum signed by the shareholders representing a majority interest in the Horse (that is, a vote by Shareholders with an interest of more than 50% in the Horse) votes for their removal. In the event where a Manager is removed or replaced, Asset Racing will cease to provide the services referred to AR 63(2) of the Australian Rules of Racing. These services include:

- entering, nominating, accepting or scratching such Horse for any race;
- engage a jockey to ride such Horse for any race;
- receive any prize money or trophy won by such Horse; or
- act for and represent the joint Shareholders, lessees or Shareholders in relation to the Horse in all respects for the purpose of the Rules.

Asset Racing will continue to act as Manager of the Syndicate to provide the remaining services expressed in Section H of the PA. That is, the Manager is responsible for all aspects of the management of the racing Career of the Horse, preparation of the Syndicate's annual accounts for submission to the Lead Regulator, the management of communications between the Shareholders and the Stables, and the provision of all administrative services and trust accounts of the syndicate.

If Asset Racing is removed as the Manager of the Horse, it does not give up its entitlements to the disclosed stud fee, breeding or sale fee as per Section I of the PA.

v. Early Termination Fee: In the unlikely event that a Manager is removed, an early termination fee will apply to the Syndicate. Every shareholder will be obligated to pay their Management Fee for the duration of a 12-month period in advance at the time of removal of the Manager. If payment does not materialise, the MF will continue to be charged on a monthly basis up to the time that payment is completed in full by ALL shareholders of the syndicate.

Management of the Horse and the Syndicate will continue by Asset Racing up until all shareholders have paid the termination fee in full. This early termination fee is enforced as a charge to compensate us for failure to satisfy the contract by the syndicate Shareholders.

We will not charge you an early termination fee if it is a result of a proven material breach pursuant to Section H of the PA.

vi. A Shareholder or Shareholders who own not less than 30% of the Shares may either call a meeting of Shareholders, or request the Syndicate Manager to call a meeting of Shareholders, upon giving at least 21 days written notice to the other Shareholders, the Syndicate Manager and the Racing Manager. In the event the Syndicate Manager receives such a request, the Syndicate Manager must within 14 days of receipt thereof, call a meeting of Shareholders, which must be held within 1 month of receipt of the request.

vii. A voting resolution binds all Shareholders, whether or not they participate. No objection may be made to any vote cast unless the objection is made at the time of convening. The decision of the Syndicate vote on any matter is final.

K. Prize-money Distribution

All prize-money won by the Horse will be deposited into the managed account of the Horse and distributed into the Shareholder's account by Asset Racing. In accordance with the Rules of Racing in Australia, prize-money is distributed after remunerations are distributed to the trainer, jockey, welfare program and jockey insurance, and the withholding of any funds required to cover major race acceptances for which the Horse is eligible or nominated. The percentages are automatically determined by each state and may vary from State to State. If the prize money exceeds \$15,000, Asset Racing will be entitled to 5% of the gross prize money which will be charged out to each Shareholder accordingly. Gross prize money includes the prize money, breeders' bonus and incentive scheme payments.

L. Trophies and Prize Distribution

In an event the horse wins a trophy, the Manager will receive the original trophy in accordance with the Rules of Racing (AR 63 (2c)) and will be entitled to retain it. If any Owner wishes to acquire a replica of the trophy, the Manager will endeavor to procure the same at the best price and provide to such Owner the details of the Supplier of the trophy.

Should there be an item that is not listed in the racebook with a dollar value, such as a saddle cloth or rug, such items will be auctioned off and the proceeds of the auction will be distributed to one or more industry related charity organisations at Asset Racing's discretion. A receipt acknowledging payment to the organisation will be supplied to the Shareholders to validate payment.

M. Buy Now Pay Later (Interest Free Payment Plan)

Asset Racing offers a Buy Now Pay Later (BNPL) interest free Payment Plan, which is similar to the likes of AfterPay. This incentive enables Shareholders to purchase shares in the horse on offer, over 4 equal repayments.

How it works:

1. A 25% deposit of the Share Price is payable upfront on sign up.
2. The balance of the Share Price to be paid over 3 equal monthly instalments commencing the following month after the initial 25% deposit is paid on sign up.
3. Interest Free Terms

Repayment Schedule:

1. If an owner purchases their share between the 1st and 15th of the month, their instalments will be due on the 15th of the following 3 months.
2. If an owner purchases their share between the 16th and the end of the month, their instalments will be due on the 30th of the following 3 months.

Default Schedule:

1. If a Shareholder defaults, they will be issued a Default Notice giving the Defaulting Shareholder 7 days to make payment.
2. If no payment is received, the Defaulting Shareholder will be sent a Final Notice – Share Repossession Pending, giving a further 7 days to pay.
3. If payment is still not received after the 7 days, a notice to repossess is issued to advise the Defaulting Shareholder that the share/s have been confiscated and sold by means of Public Offer to recover the balance outstanding for the share/s.

APPLICATION FORM

Partnership Agreement

2019 Lonhro Colt out of Sports Writer

Complete in block letters & return entire Partnership Agreement. You are advised to keep a copy for your records

Surname: Dr/Mr/Ms/Mrs/Miss
(One name ONLY to be entered)

Given Names.....

Address

StatePostcode

Birth Date:Occupation

Telephone BusinessHome

MobileFax

Email

I hereby agree to become a Shareholder in the abovementioned Partnership on the basis that I will have share (s).

By signing this agreement, I agree and declare that:

1. I have read, understood and agree to be bound by the Partnership Agreement, Rules of Racing and the Prospectus.
2. I am not under any disqualification or other disability under the Rules of Racing.
3. I am over the age of eighteen years.
4. I am not an undischarged bankrupt.
5. I agree for my contact details to be supplied to the other Shareholders in this Racing Partnership.
6. I acknowledge that I have had the opportunity to obtain independent legal and financial advice relative to my acquisition of shares in the Prospectus.

I hereby give Gabriel Pardi the authority to sign the original official registration papers of this Horse for my share on my behalf. I also give authority for prize-money to be paid to a third party, where applicable, that being Asset Racing.

..... Name of Shareholder

..... Signature of Shareholder

...../...../..... Date

DIRECT DEBIT REQUEST FORM

APPLICANT DETAILS

First name:			Last name:		
Company Name (if applicable):			ABN:		
Email:	D.O.B.:			Phone:	
Address:					
Suburb:		Country:	State:	Postcode:	

PAYMENT METHOD

Bank Transfer Credit Card (refer to second page)

BSB:	Account No.:
Account Holder Name:	

I hereby register with Thoroughbred Payments (operated by ZenPay Pty Ltd ABN 056 881 942) and authorise Thoroughbred Payments (User ID 470911) or my merchant to process payments of recurring or varying amounts from my nominated card or bank account.

I confirm the information above is true and correct and that I have read, understood and agree to be bound by this Customer Registration Form (CRF) and Thoroughbred Payments' [Terms & Conditions](#) (TPTC).

I understand that this arrangement will remain in place until such time as it is cancelled by me, my merchant or Thoroughbred Payments, and all payment related queries or disputes will need to be resolved between me and my Merchant.

I also understand that transactions will appear on my card / bank statement as "THOROUGHBRED PAYMENTS BALMAIN AU".

I hereby give permission to Asset Racing (Australia) Pty Ltd to complete the online form using the details provided on this form on my behalf.

Signature:



 Credit / Debit Card

Please circle one:



VISA



Card Number:

Card Holder Name:

Expiration:

MM:

YY:

CVV:

Second (2nd) Syndicate Member (if applicable):

The name of the Syndicate, for racing purposes, will be known as:

Syndicate Name:	
------------------------	--

Personal Information:

Title:	First Name:	Surname:	Date of Birth:	
Address:			State:	Post Code:
Phone No (Business Hours):		Mobile No (if differs to phone no. for business hours):		
Email Address:				
Individual Share Percentage (%) held by you <i>within</i> this Syndicate (For example, you individually hold a 10% share within this Syndicate):				%

PERSONAL INFORMATION: To assist in making ownership determinations, the Registrar must assess the fitness and propriety of each applicant. This assessment requires the collection of sensitive information. In order to protect each individual's privacy certain necessary information has not been requested on the application form, however, all applicants must read the following questions: 1. In the past 10 years, have you been convicted of, or is there a pending charge against you, for any offence involving (a) Violence against a person; or (b) Dishonest or criminal activity? 2. Have you ever been convicted under the Australian Rules of Racing or rules of any racing authority? If any applicant should answer "yes" to any of these questions, the applicant must notify the Registrar in writing prior to the lodgement of the application. Such notification must include full details of the conduct in question. The Registrar will advise in writing within seven days of having received such notification. That advice should be retained by the applicant as evidence that the appropriate notification has been made. You are advised that should it be established that an individual has neglected or failed to truthfully respond to questions 1(a), 1(b), or 2, this application and any other application concerning the individual may be refused or cancelled at any time. If the notification has previously been advised to the Registrar, there is no need to do so again. The Committee of any Club or the Stewards may punish any person who makes any false or misleading statement or declaration in respect of any matter in connection with the administration or control of racing under AR175(gg). Inaccuracies or omissions may also lead to penalties and refusal or cancellation of the Registration of this horse (AR17)

PRIVACY: The Registrar of Racehorses collects information about you when you submit this application to register a racehorse. The Registrar will use that information to assess your application and if approved, your ongoing status as an owner. To do that, the Registrar may disclose your information to other racing bodies. On occasion, the Registrar may disclose names and contact details to racing organizations including race clubs and owners or breeders associations. However, this information will only be disclosed when the Registrar is of the opinion that such communication may be of interest or benefit to you. If you do want to receive such communication, you may advise the Registrar of that fact at any time. You can gain access to and request changes be made to your information held by the Registrar at any time. You do not have to supply the information requested, but if the information is not provided the Registrar may refuse to accept your application.

Signature:



By signing above, you are acknowledging that you have read and understood the Rules of Racing relating to owners, the Personal Information statement above, the Privacy Statement above, and the Standard Syndicate Agreement displayed on page 6 of this application form. An updated copy of the Rules of Racing can be located within the Racing Victoria Website – www.rv.racing.com

Please note: this 'Register a Syndicate' form must be submitted to Racing Victoria in its entirety. Failure to lodge the complete form will result in the deferment of this application to register a syndicate. In this instance, the application form will be returned to the Manager for completion.