

Dubbo Residential Estate Pty Ltd**Indicative Share Valuation**

Indicative Share Valuation	30/06/2019		30/06/2019	
	Not discounted		Net Present Value	
ASSETS				
Cash	\$	885,763	\$	885,763
Trade debtors & other accruals	\$	28,513	\$	28,513
Prepayments	\$	18,318	\$	18,318
Plant & equipment less depreciation	\$	5,679	\$	5,679
Land:				
Stage 3A land - net realisable value	\$	444,882	\$	418,969
Stage 3B land - net realisable value	\$	479,727	\$	451,784
Englobo land - net realisable value	\$	5,806,223	\$	4,486,616
TOTAL ASSETS	\$	7,669,105	\$	6,295,643
LIABILITIES				
Trade creditors & other accruals	\$	73,921	\$	73,921
Trade creditors - estimated operating expenses to completion	\$	1,680,000	\$	1,407,886
Trade creditors - JK Williams	\$	-	\$	-
GST payable	\$	-	\$	-
Tax liability payable	\$	58,173	\$	58,173
Deferred tax	\$	6,675	\$	6,675
Deferred tax - unsold land	\$	921,417	\$	618,547
TOTAL LIABILITIES	\$	2,740,186	\$	2,165,202
NET ASSETS	\$	4,928,918	\$	4,130,441
Less allowance illiquidity	15% - \$	739,338	-\$	619,566
ADJUSTED NET VALUE	\$	4,189,581	\$	3,510,875
Value Per Share - Adjusted Net Assets 2019	1,915,000	\$ 2.188	\$	1.833

Notes:

1. Time to completion of the land sales is estimated to be 8 years, being June 2027, based on the average number of sales over the last 2 years.
2. Net realisable value assumes that net sales and expenses increase by 2%p.a.
3. Future amounts have been discounted using a rate of 6.185%, being the Company's previous rate of borrowing.
4. Tax has been calculated at a rate of 27.5%, being the anticipated tax rate for the Company.
5. No allowance has been made for recoverability of franking credits by shareholders.
6. Assumes no further debt is required by the Company.

Disclaimer:

For internal use only. The indicative valuation has been prepared for the internal use only of the Directors of Dubbo Residential Estate Pty Ltd, who are responsible for the reliability, accuracy and completeness of the information used to prepare the indicative valuation. We disclaim all liability for any loss or damage arising from reliance upon this indicative valuation. We recommend that a valuation be obtained from a qualified valuer before making any decision in relation to the valuation of the Company.