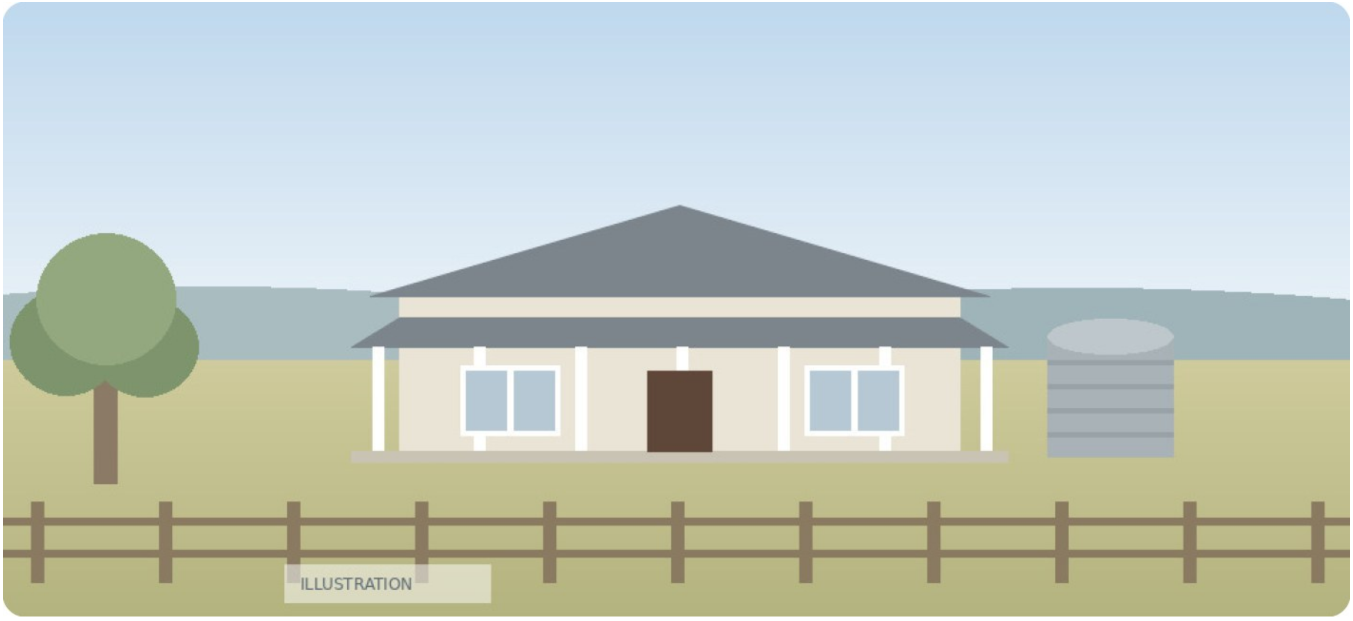
DECEASED ESTATE / CAPITAL GAINS TAX

Estate Valuation Report



"Pinegrove", 1247 Merriwa Range Road, Merriwa NSW 2329

ASSESSED MARKET VALUE

$3,100,000

Range $2,950,000 – $3,250,000
as at 22 March 2025

Valuation date	22 March 2025
Reference	hovr-estate-9027
Prepared for	Eleanor Brackley
Prepared by	Alexandra Whitfield, Whitfield Property Valuations Pty Ltd

This valuation was prepared by the signed Qualified Valuer with the assistance of AI.

Instruction, Purpose & Basis of Value

Contents

Instruction, purpose and basis of value

Instructing party	Eleanor Brackley
Purpose	Deceased estate administration and CGT cost base
Interest valued	Fee simple
Basis of value	Market value as defined by the ATO for tax purposes: the price that would be negotiated between a knowledgeable, willing but not anxious buyer, and a knowledgeable, willing but not anxious seller, acting at arm's length in an open market, with adequate time to market the asset to achieve its fair value.
Standard applied	ATO Market Valuation for Tax Purposes (ITAA 1997); Succession Act 2006 (NSW); Probate and Administration Act 1898 (NSW)
Inspection	No internal or external inspection was undertaken. This is a desktop assessment based on documentary and market evidence.
Effective date	22 March 2025
Report date	9 September 2026

GST treatment

Assessed value is	GST-inclusive

Whether the vendor is registered for GST, and whether a sale would be a supply of a going concern, are matters for the parties and their advisers; hovr does not hold this information and has not assessed it.

Executive Summary

ASSESSED MARKET VALUE

$3,100,000

Range $2,950,000 – $3,250,000 | as at 22 March 2025

Low $2,950,000 **Adopted $3,100,000** High $3,250,000

4 BEDS	2 BATHS	4 CARS	220 m² BUILDING	285 ha LAND

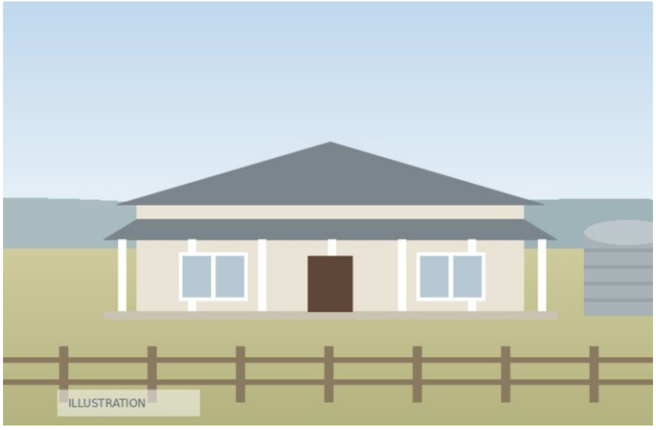
High confidence

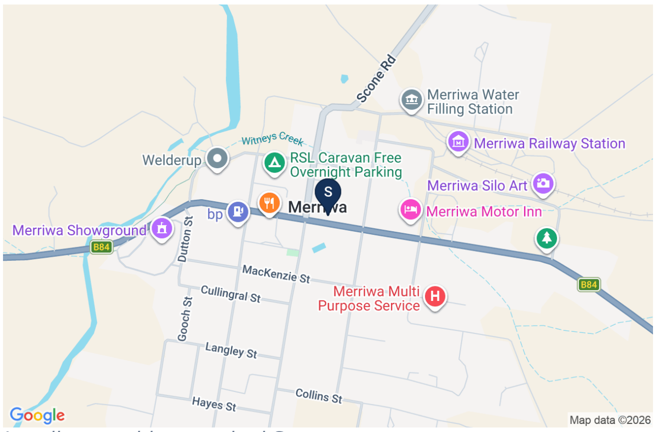
3 comparable sales, spread 8% after adjustment.

This assessment concerns a rural grazing and cropping property. It has been prepared as a retrospective market value as at the date of death, prepared for capital gains tax cost-base purposes under ITAA 1997 and for the administration of the estate. The adopted value, the assessed range and the confidence grade are stated in the summary elements of this document; the commentary below sets out the evidence and the methods relied on to arrive at them. No physical inspection was undertaken.

Property Identification

Address	"Pinegrove", 1247 Merriwa Range Road, Merriwa NSW 2329
Property type	Rural / Farm
Legal description	Lot 12 DP 789456 (fictional)
Title reference	12/789456 (fictional)
Registered owners	Pinegrove Pastoral Co Pty Ltd (fictional)
Council / LGA	Upper Hunter Shire Council
Zoning	RU1 Primary Production — Upper Hunter LEP 2013
Land area	285 ha
Building area	220 m²





Locality — subject marked S

Market Conditions

Rural land values in the Upper Hunter have held firm following the strong run of the preceding seasons. Buyer depth is concentrated among established local operators expanding scale, with limited outside investment interest at this size bracket. Transaction volumes are thin, as is characteristic of rural markets, so comparable evidence is necessarily drawn from a wider geographic and temporal range than a residential or commercial assessment would require.

Site & Improvements Description

The subject is a mixed dryland cropping and grazing property carrying a homestead, shedding and stock-handling improvements, with stock and domestic water supplied from equipped bores and dams. Country types range from arable creek flats to timbered grazing slopes. The improvements are functional and appropriate to the scale of the enterprise.

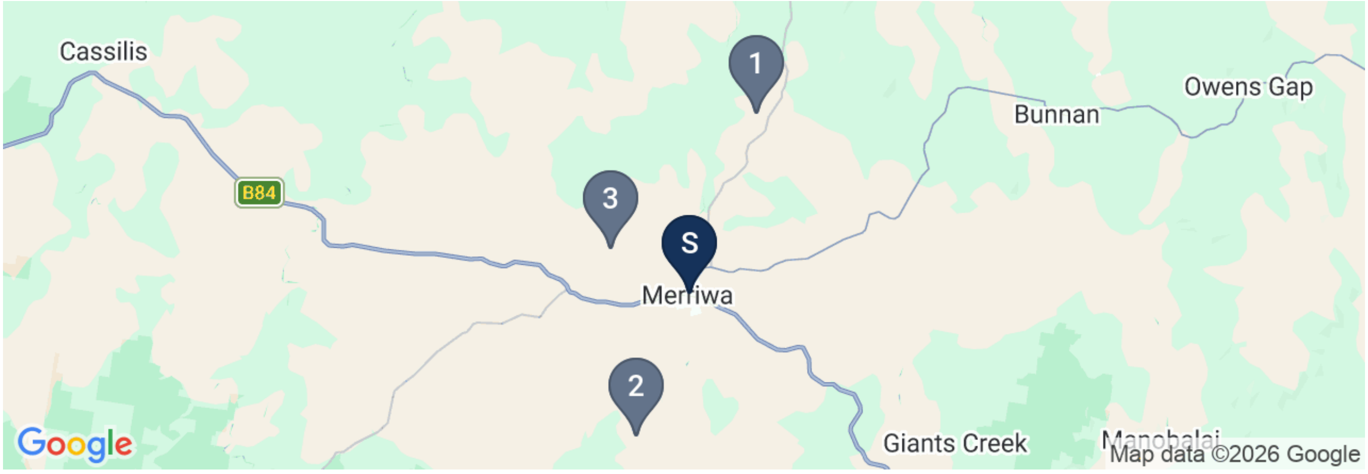
Highest & Best Use

The highest and best use, as improved, is continuation of the existing dryland cropping and grazing enterprise. As vacant, permissible uses under the primary production zoning are agricultural; the holding exceeds the minimum lot size by a wide margin and represents a viable economic unit unlikely to be further subdivided.

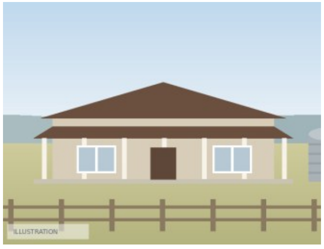
Valuation Methodology

Direct comparison on a rate per hectare is the primary method, applied to comparable rural sales in the district and adjusted for area, country type, water resources and the standard of improvements. A summation approach — bare land value plus the depreciated replacement cost of improvements — has been applied as a secondary cross-check, consistent with the way rural assets of this type are analysed in the district.

Comparable Sales Evidence



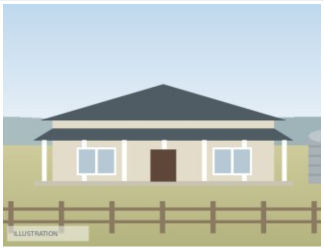
Subject marked S; comparable sales numbered as below.



1. "Hillcrest", 892 Merriwa Range Road, Merriwa NSW 2329
$2,980,000
Sold 15 March 2026 | $16,514/m² Building

3 BEDS	2 BATHS	3 CARS	185 m² BUILDING	272 ha LAND

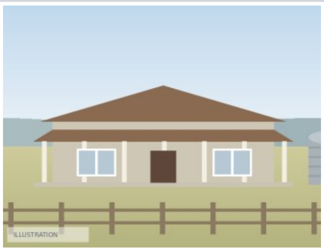
Adjustment +2.5% → adjusted $3,055,000
272 ha; dryland cropping and grazing. 3-bed homestead, machinery shed. 1 farm dam. Slightly smaller area and inferior improvements. $10,956/ha raw. Adjusted +2.5% for area (13 ha shortfall) and improvements deficit. Adj $11,231/ha.



2. "Wheatvale", 304 Cassilis Road, Merriwa NSW 2329
$3,250,000
Sold 28 November 2025 | $13,000/m² Building

4 BEDS	2 BATHS	6 CARS	240 m² BUILDING	312 ha LAND

Adjustment -4.0% → adjusted $3,120,000
312 ha; predominantly dryland cropping. Superior area (27 ha more), 2 farm dams, grain storage shed — superior to subject. $10,417/ha raw. Adjusted -4% for area superiority and water infrastructure advantage. Indexed forward 7 months at 0.40%/month. Adj $10,908/ha.



3. "Oakdale", 1815 Golden Highway, Cassilis NSW 2329
$2,720,000
Sold 10 January 2026 | $17,081/m² Building

3 BEDS	1 BATHS	2 CARS	168 m² BUILDING	265 ha LAND

Adjustment +5.5% → adjusted $2,869,600
265 ha; mixed grazing (sheep/cattle). Smaller area, inferior homestead (3-bed/1-bath, dated fitout), no bore, 1 dam. $10,264/ha raw. Adjusted +5.5% for area, improvements quality, and water resource deficiency. Adj $10,829/ha.

Valuation Reconciliation

Method	Basis	Calculated	Weight	Weighted
Direct Comparison ($/ha)	285 ha × adopted $10,877/ha	$3,100,000	70.0%	$2,170,000
Summation	Land ($2,718,000) + Improvements ($382,000)	$3,100,000	30.0%	$930,000
Reconciled market value				**$3,100,000**

> Direct comparison on a $/ha basis is the primary method (70% weight). Three comparable rural sales produce adjusted $/ha rates of $10,829–$11,231/ha; the adopted rate of $10,877/ha reflects the weight of evidence weighted toward the more directly comparable Comparable 1 (same locality, comparable area and improvements). The summation method (30% weight) serves as a cross-check; land value at $9,537/ha × 285 ha = $2,718,000 plus depreciated replacement cost of improvements ($382,000) produces a consistent result of $3,100,000.

Low $2,950,000 **Adopted $3,100,000** High $3,250,000

Estate, Probate & Capital Gains Tax Compliance

Capital Gains Tax Valuation Context

This report has been compiled strictly in accordance with the Australian Taxation Office (ATO) “Market Valuation for Tax Purposes” guidelines under the Income Tax Assessment Act 1997 (Cth). It establishes either a modern cost-base reset or a historical market value baseline to determine capital gains or losses.

1. Succession Legislation: This report is prepared in accordance with the requirements of the Succession Act 2006 (NSW) and the Probate and Administration Act 1898 (NSW).

2. Market Value Basis (ATO Compliance): In alignment with the ATO's explicit legal expectations for tax liabilities, Market Value is defined as: "The price that would be negotiated between a knowledgeable, willing but not anxious buyer, and a knowledgeable, willing but not anxious seller, acting at arm's length in an open market, with adequate time to market the asset to achieve its fair value."

3. Date of Valuation: The valuation date is as stated on the cover page of this report. Estate and CGT valuations commonly require the value as at the date of death of the deceased, or the date the property first became income-producing. The instructing party should confirm the date shown is correct.

4. Probate & Administration: This valuation is suitable for submission to the relevant Supreme Court or Probate Registry in support of an application for probate or letters of administration under the Probate and Administration Act 1898 (NSW).

Family Law Act 1975 (Cth) — Notice

Where this valuation is used for the purposes of proceedings in the Federal Circuit and Family Court of Australia (FCFCOA) or the Family Court of a State, the valuation has been prepared to meet the requirements of the Family Law Act 1975 (Cth) and the Family Law Rules 2021 (Cth).

- This report constitutes expert evidence prepared in accordance with Division 15.5 of the Family Law Rules 2021. The valuer is aware of their duty to the Court, which overrides any obligation to the person retaining them.

- The valuer has not been provided with instructions that, in their view, have unduly influenced the outcome of this valuation.
- The valuer confirms they have made all reasonable enquiries and that the opinions expressed are based on the valuer's own knowledge, skill and experience and on the facts, matters and assumptions set out in this report.

Statement of Valuer Independence, Adoption & Arm’s-Length Assurance

I, Alexandra Whitfield, hereby declare that I am completely independent of the property owner, beneficiaries, and any related corporate or individual entities. I have no current or prospective financial interest in the subject property, nor any personal relationship that could compromise my professional objectivity under Section 116-30 of the Income Tax Assessment Act. This valuation has been calculated in good faith using historical, supportable, and verifiable transactional data to ensure an uncompromised, arm’s-length market assessment. I have reviewed the automated inputs provided by the hovr platform, verified the comparable data relied upon, and formally adopt the reconciled market value of $3,100,000 as my own independent professional opinion.

1. Independence: The valuer has no direct or indirect financial interest in the subject property or in any party to the transaction for which this report is prepared.

2. Retrospective Data Continuity: Where a retrospective valuation date is requested (e.g., date of a property's first income-producing use), the platform data inputs utilise backdated, audited registry parameters matching that explicit timestamp. No transaction or growth indicator that occurred after the designated retrospective target date has been factored into the calculation engine.

3. Expert Witness: If required to give evidence in any court, tribunal or mediation, the valuer confirms they will give evidence consistent with the opinions expressed in this report and will comply with any applicable court rules governing expert witnesses, including the Uniform Civil Procedure Rules (UCPR) and relevant practice directions.

4. Professional Registration: The valuer is a professionally registered qualified valuer holding appropriate qualifications and professional indemnity insurance.

Transfer / Transmission Duty Notice — Duties Act 1997 (NSW)

Depending on the nature of the transmission and the jurisdiction, the transmission of property from a deceased estate may attract transfer duty or stamp duty obligations under the Duties Act 1997 (NSW). This valuation establishes market value and may be used by the executor, administrator, or legal representatives for duty assessment purposes. The receiving parties should seek independent legal and tax advice regarding any duty obligations arising from the transmission or distribution of estate assets.

Limitations & Assumptions

- This valuation is prepared as at the date stated on the cover page only. No liability is accepted for losses arising from changes in value before or after that date.
- This report should not be relied upon for any purpose other than that stated herein without the written consent of the valuer. It is prepared solely for the use of the named client, executor, administrator, or their legal representatives.
- No physical inspection of the property was conducted. The assessment is based on market data, comparable sales, property records, and publicly available information. Where a physical inspection is required by a court or registry, the instructing party should advise the valuer accordingly.
- The valuer has not inspected Certificate(s) of Title, Lease(s), or planning documentation. It is assumed that the property has a clear and unencumbered title unless otherwise advised. Any

encumbrances, caveats, easements, or restrictions affecting value should be disclosed to the valuer prior to reliance on this report.

- The valuer is not aware of any contamination, hazardous materials, or environmental issues affecting the property. The assessment assumes the land is free from contamination. Should such issues be identified, the valuation may require amendment.
- This report does not constitute legal, financial, or tax advice. The executor, administrator, and beneficiaries should seek independent legal, financial, and taxation advice regarding their obligations under the applicable succession, probate, and taxation legislation.
- The contents of this report are confidential. Distribution is limited to the named client, their legal representatives, the relevant court or tribunal, and any regulatory authority entitled to receive it.

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General Disclaimer & Retrospective Data Continuity

This report has been prepared by hovr (EQED Pty Ltd) acting as an intermediary platform for the independent professional valuer named herein. Where a retrospective valuation date is requested (e.g., date of a property's first income-producing use), the platform data inputs utilise backdated, audited registry parameters matching that explicit timestamp. No transaction or growth indicator that occurred after the designated retrospective target date has been factored into the calculation engine. This document serves strictly as a tax-reporting compliance record and does not constitute financial, personal, or investment advice.

Assumptions, Limitations & Reliance

Assumptions

- Title is good and marketable, free of encumbrances other than those disclosed.
- Areas and attributes are as recorded in the sources listed in Appendix B.
- No contamination, structural defect or statutory breach is assumed beyond that disclosed.
- No internal or external inspection was undertaken. This is a desktop assessment based on documentary and market evidence.

Limitations

- This valuation is current as at the date of valuation only. Values may change and no liability is accepted for losses arising from changes in value after the valuation date.
- This report should not be relied upon after three (3) months from the date of valuation without written confirmation from the valuer.
- This is a desktop valuation. No physical inspection of the property was conducted. The assessment is based on market data, comparable sales, property records and publicly available information.
- Certificate of Title(s) and/or Lease(s) have not been inspected. Should legal advice indicate that encumbrances materially affect value, the valuer reserves the right to reconsider the assessment.
- The valuer is not aware of any contamination or environmental issues affecting the property. The assessment assumes the land is free from contamination. Should contamination be identified, the valuation may require amendment.
- This report is prepared solely for the use of the named client. No responsibility is accepted to any other third party for the whole or any part of its contents.

Valuation uncertainty

Where comparable evidence is limited, dated or widely spread, or where market conditions are moving quickly, a greater than usual degree of uncertainty attaches to the assessed value. The confidence grade stated in the executive summary reflects the evidence actually available at the effective date. A value is a point within a range, not a certainty, and the assessed range should be read alongside the adopted figure.

Reliance

This report is prepared for Eleanor Brackley as the named client, executor, administrator, or their legal representatives, and may be relied upon by the relevant Supreme Court or Probate Registry, and by any regulatory authority entitled to receive it, for estate administration and capital gains tax cost-base purposes. The contents are confidential and distribution is limited to those parties. It may not be relied upon by any other party, or for any other purpose, without hovr’s written consent. A retrospective valuation is made as at the effective date stated on the cover and does not expire in the way a current-date valuation does; it should still be reviewed if the effective date or the interest valued changes.

Independence, Adoption & Signature

Independence

The valuer has no present or prospective interest in the subject property and no personal interest in the parties to the valuation. The fee is not contingent on the value reported.

AI assistance

hovr uses AI to gather and analyse market evidence. The analysis is reviewed, adjusted where necessary and adopted by the signing Qualified Valuer, who takes professional responsibility for the assessed value.

Adoption

I have reviewed the evidence and analysis set out in this report and adopt the assessed market value stated.

Alexandra Whitfield
Whitfield Property Valuations Pty Ltd
Australian Property Institute (API)
Registration CPV-10482
Date 9 September 2026

ASSESSED MARKET VALUE

$3,100,000

Range $2,950,000 – $3,250,000 | as at 22 March 2025

Appendix A — How This Valuation Was Calculated

This appendix explains, without valuation jargon, how the figure in this document was reached. The technical methodology for a professional reader is in the Valuation Methodology section.

1

Find comparable sales
We look for properties that recently sold and are as close as possible to yours in location, size, type and condition. Recent sales are the best evidence of what a buyer would pay today.

2

Adjust for the differences
No two properties are identical. If a comparable has an extra bedroom, a larger site or a newer fitout, its price is adjusted up or down so it can be compared fairly with yours. A +5% adjustment means the comparable was inferior and its price was increased to reflect your property.

3

Reconcile to one figure
Each method gives a value. We weight them by how much reliance each deserves for this property, and the weighted result is the adopted market value shown on the cover. The range around it reflects the spread in the evidence.

Appendix B — Data Sources & Audit Trail

Data sources and currency

Dataset	Provider	As at
Comparable sales evidence	Domain / realcommercial	22 March 2025
Rental evidence	*Not assessed*	*Not assessed*
Suburb market statistics	*Not assessed*	*Not assessed*
Title particulars	State land registry	22 March 2025
Imagery	Listing photograph	*Not assessed*

Audit trail

Comparable sales	3 record(s)
Rental evidence	0 record(s)
Prior sales of subject	1 record(s)
Rental history of subject	No rental history recorded; the property is not tenanted
Analysis	hovr analysis, reviewed and adopted by the signing valuer

Prior sales of the subject property

Date	Price	Type	Agency	Days on market
22 July 2014	$1,850,000	Private Treaty	Merriwa Rural Agency (fictional)	68 days

Appendix C — Glossary of Terms

Term	Meaning
Capitalisation rate	The return an investor expects, expressed as a percentage of value. Net income divided by the capitalisation rate gives the capital value.
Desktop valuation	A valuation prepared from documentary and market evidence without an inspection of the property.
Direct comparison	Valuing by reference to recent sales of similar properties, adjusted for the differences between them and the subject.
Fee simple	The fullest form of ownership of land in Australia, held without a time limit.
GFA	Gross floor area — the total built floor area of a building.
Market rent	The rent the property would command if let on the open market at the valuation date.
Market value	The estimated amount for which an asset should exchange between a willing buyer and a willing seller in an arm's-length transaction after proper marketing.
Net lease	A lease under which the tenant pays the outgoings in addition to rent.
NLA	Net lettable area — the floor area a tenant occupies and pays rent on, excluding common areas.
Outgoings	The recurring costs of holding a property: council rates, land tax, insurance, and building maintenance.
Passing rent	The rent actually payable under the current lease, which may differ from market rent.
Strata lot	A separately titled lot within a strata scheme, owning the lot itself and a share of the common property.
WALE	Weighted average lease expiry — the average time remaining on the leases in a property, weighted by income.