

ASPERMONT LIMITED

Appendix 4D

(AUD)

Financial statements for the half-year ended 31 March 2019

All comparisons to half-year ended 31 March 2018

Aspermont Limited Consolidated			\$'000
Revenue from continuing operations	Up	37%	8,429
Gross Profit	Up	41%	4,773
Net loss after tax attributable to equity holders of the parent entity	Up ⁽¹⁾	1050%	(6.086)
EBITDA	down	27%	(799)
Normalised EBITDA ⁽²⁾	Up	167%	128

⁽¹⁾ Net Loss includes one-off non-cash charge taken relating to Beacon settlement. Excluding this one-off charge, net loss would be \$1,142k (up 115%)

⁽²⁾ Normalised EBITDA is after adjusting for one-off exceptional non-recurring charges and estimated expenditure in new business and product lines (see reconciliation to statutory earnings below)

Dividends/distributions	Amount per security	Franked amount per security
Final dividend	N/A	N/A
Interim dividend	N/A	N/A

Additional dividend/distribution information

N/A

Dividend/distribution reinvestment plans

The Aspermont dividend re-investment plan is currently suspended.

NTA Backing	HY19	HY18
Net tangible asset backing per ordinary share	(0.35)c	(0.07)c
Net tangible asset backing per ordinary share (weighted)	(0.35)c	(0.07)c

Details of aggregate share of losses of associates and joint venture entities

	HY19	HY18
	\$'000	\$'000
Groups share of associates and joint venture entities		
Share of loss from ordinary activities of associates	-	-
Material interest in entities which are not controlled entities (% held)	-	-

Normalised EBITDA Reconciliation

The reconciliation of statutory earnings to normalised EBITDA is as follows:

In order to provide shareholders with a more meaningful comparison of the Company's underlying performance in the current period, the Directors have presented normalised EBITDA comparable figures for the half year ended 31 March 2019.

Six Months Ended	31 March 2019 \$000	31 March 2018 \$000
Reported income/(loss) from continuing operations before income tax expense	(6,017)	(685)
Net interest	28	17
Depreciation and amortisation	276	41
Other (share based payments & provisions, foreign exchange, other income)	(30)	-
Discontinued operations and other income	-	-
Impairment of Receivables ⁽⁴⁾	4,944	-
Reported EBITDA	(799)	(627)
Fair value revaluation and interest receivable of Beacon loan/Option	-	(289)
Exceptional one-off charges ⁽²⁾	177	72
New business establishment costs ⁽³⁾	750	892
Normalised EBITDA⁽¹⁾	128	48

(1) These normalised figures are based on internal management accounts that have not been audited

(2) One-off expenses relating to business restructuring, divestments and legal costs.

(3) Estimated expenditure in relation to the establishment of the Events business and the new Research and Data division.

(4) As a result of the Beacon settlement announced on the 13th of May, a one-off non-cash charge has been taken

Additional appendix 4D disclosure requirements can be found in the Directors' Report and the 31 March 2019 half-year financial statements.

This report is based on the consolidated 2019 half-year financial statements which have been reviewed by Greenwich with the Independent Review Report included in the 31 March 2019 half-year financial statements.



Aspermont

Information for Industry

ABN: 66 000 375 048

HALF YEAR REPORT

For the financial Half Year ended
31 MARCH 2019

Lodged with ASX under listing rule 4.2A.3

**ASPERMONT LIMITED
HALF YEAR REPORT
FOR THE HALF YEAR ENDED 31 MARCH 2019**

Table of Contents

Corporate Directory	3
Operational Highlights Report – Managing Director	4
Directors’ Report	11
Auditor’s independence declaration	13
Consolidated Income Statement	14
Consolidated Statement of Comprehensive Income	16
Consolidated Statement of Financial Position	17
Consolidated Statement of Changes in Equity	18
Consolidated Statement of Cash Flows	19
Notes to the Consolidated Financial Statements	20
Directors’ Declaration	28
Independent Auditor’s Report	29

**ASPERMONT LIMITED
HALF YEAR REPORT
FOR THE HALF YEAR ENDED 31 MARCH 2019**

CORPORATE DIRECTORY

Directors

Andrew Leslie Kent
John Stark (Alternate to Andrew Kent)
Alex Kent
Geoffrey Donohue
Christian West
Clayton Witter

Company Secretary

David Straface

Other Key Management Personnel

Nishil Khimasia – Chief Financial Officer, Group
Ajit Patel – Chief Operating Officer, Group
Matt Smith – Chief Commercial Officer, Group
Leah Thorne – Group People Director

Registered Office

613-619 Wellington St
Perth WA 6000
Telephone: (08) 6263 9100
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PO Box 78
Leederville WA 6902

Website

www.aspermont.com

Solicitors

Stephen Roy Webster
11/37 Bligh Street
Sydney NSW 2000

Auditors

Greenwich and Co
Level 2, 267 St. Georges Terrace
PERTH WA 6000

Share Registry

Automatic Registry Services
Level 2 / 267 St Georges Terrace
Perth WA 6000

Bankers

National Australia Bank Group
197 St Georges Terrace
Perth WA 6000

Investor Relations

Pegasus Corporate Advisory
Level 16, 1 Market Street
Sydney 2000

**Australian Stock Exchange
Limited**

ASX Code: ASP

**ASPERMONT LIMITED
OPERATIONAL HIGHLIGHTS REPORT
FOR THE HALF YEAR ENDED 31 MARCH 2019**

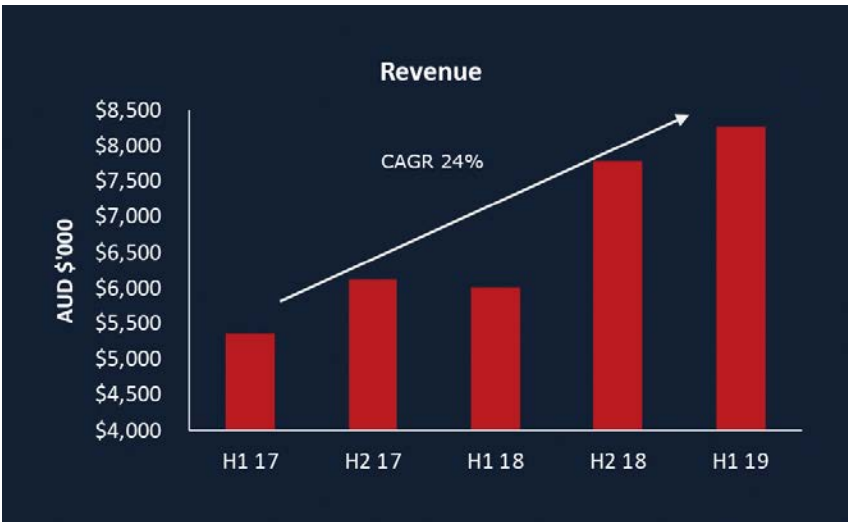
Overview

Aspermont has successfully completed a three-year strategic, operational, digital and financial transformation to strengthen its position as the leading media services provider to the global resource industries.

The Company is now profitable, cash flow positive, carries no balance sheet debt and has the resources available to fund its accelerated growth strategies.

Aspermont is growing top line revenues and bottom-line profits while improving gross margins.

The Company has entered a new and accelerating growth phase with clear plans to leverage our expertise, resources and capabilities into adjacent sectors, geographies and complementary markets.



Based on management accounts at constant currency.

Performance versus Guidance

Our expectations for FY19 were:

- 1. Strong top line growth
- 2. All revenue classes to remain in growth
- 3. Continued improvement in all key SaaS metrics
- 4. Improving gross and net profit margins
- 5. Improving profitability and higher operational cash flow

The Directors are pleased to advise that at the half year point the company remains on track to deliver on all these expectations

The results for the six months ended 31 March 2019 reflect continuing improvement in Aspermont’s financial performance and outlook.

**ASPERMONT LIMITED
OPERATIONAL HIGHLIGHTS REPORT
FOR THE HALF YEAR ENDED 31 MARCH 2019**

Key Financial Highlights

Half Year Ended 31 March	2019	2018	Improvement ⁽¹⁾
Total Revenue	\$8.4m	\$6.1m	+37%
<i>Subscriptions Revenue</i>	<i>\$3.2m</i>	<i>\$2.8m</i>	<i>+14%</i>
<i>Digital Advertising Revenue</i>	<i>\$1.4m</i>	<i>\$1.4m</i>	<i>+2%</i>
<i>Print Advertising Revenue</i>	<i>\$1.8m</i>	<i>\$1.8m</i>	<i>-%</i>
<i>Research & Data</i>	<i>\$0.1m</i>	<i>-</i>	<i>+100%</i>
<i>Events Revenue</i>	<i>\$1.9m</i>	<i>-</i>	<i>+1900%</i>
Gross Profit	\$4.8m	\$3.4m	+41%
Gross Margins	57%	55%	+4%
EBITDA ⁽²⁾	\$0.12m	\$0.05m	+167%
Cash Flow From Operating Activities ⁽²⁾	\$0.8m	\$0.5m	+60%

⁽¹⁾ Growth figures are at constant currency.

⁽²⁾ EBITDA and Net Cash from Operating Activities figures are normalised (refer Appendix 1).

Key Achievements

- Total revenue growth of 37%
- Continued strong growth in subscriptions revenues, +14% and in Lifetime Values, +38%
- Research division firmly established and driving price lifts in subscriptions
- Events division, established 10 months ago, already contributing to profits
- Net advertising revenues higher despite some recent, internal structural changes
- Higher reported and normalised EBITDA and operational cashflow
- Increased penetration in North America region with 59% revenue growth

Current Financial Position

The Company continues to generate positive operational cash flow which is deployed selectively to develop new products and services.

At half year, the Company had a cash balance in excess of \$1.4m despite significant investment in organic business drivers.

**ASPERMONT LIMITED
OPERATIONAL HIGHLIGHTS REPORT
FOR THE HALF YEAR ENDED 31 MARCH 2019**

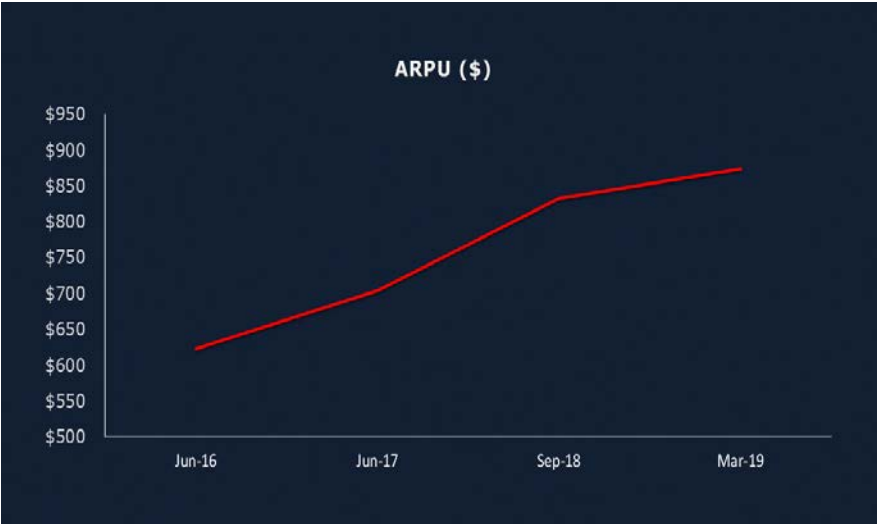
Key Subscriptions Metrics

Key Subscriptions SaaS Metrics	As at 31 March 2019	As at 31 March 2018	12 months Growth
Number of Subscriptions	8,215	7,860	5%
Average Revenue Per Unit (ARPU)	\$873	\$791	10%
Annual Contract Value (ACV)	\$7.2m	\$6.2m	16%
Web Traffic (Sessions)	5.1m	4.5m	13%
Web Traffic (Users)	2.2m	1.7m	29%
Loyalty Index	60%	59%	2%
Renewal Rate	84%	81%	4%
Lifetime Years ⁽¹⁾	6.4	5.4	19%
Lifetime Value ⁽²⁾	\$45.8	\$33.1m	38%

⁽¹⁾ Lifetime Years is the average lifetime of all subscriptions (i.e. 1/churn rate).
⁽²⁾ Lifetime Value is the aggregate of present and expected future values of all subscriptions (i.e. lifetime years multiplied by annual contract value).

The Directors are pleased to report that in the twelve months since 31 March 2018, all key SaaS metrics reflect increasingly strong growth over the last few years.

Since the launch of our research division, some 18 months ago, we have developed a set of annual products ([see here for further interest](#)) which quickly became the definitive studies and key reference points for their industries. Having provided these research reports free to all subscribers for the first year we were able to build a premium product for Mining Journal, in the second year as access to this research commands a fair price lift. With the success of this initiative now confirmed we can now roll out similar research services to all our primary brands over the next few years.

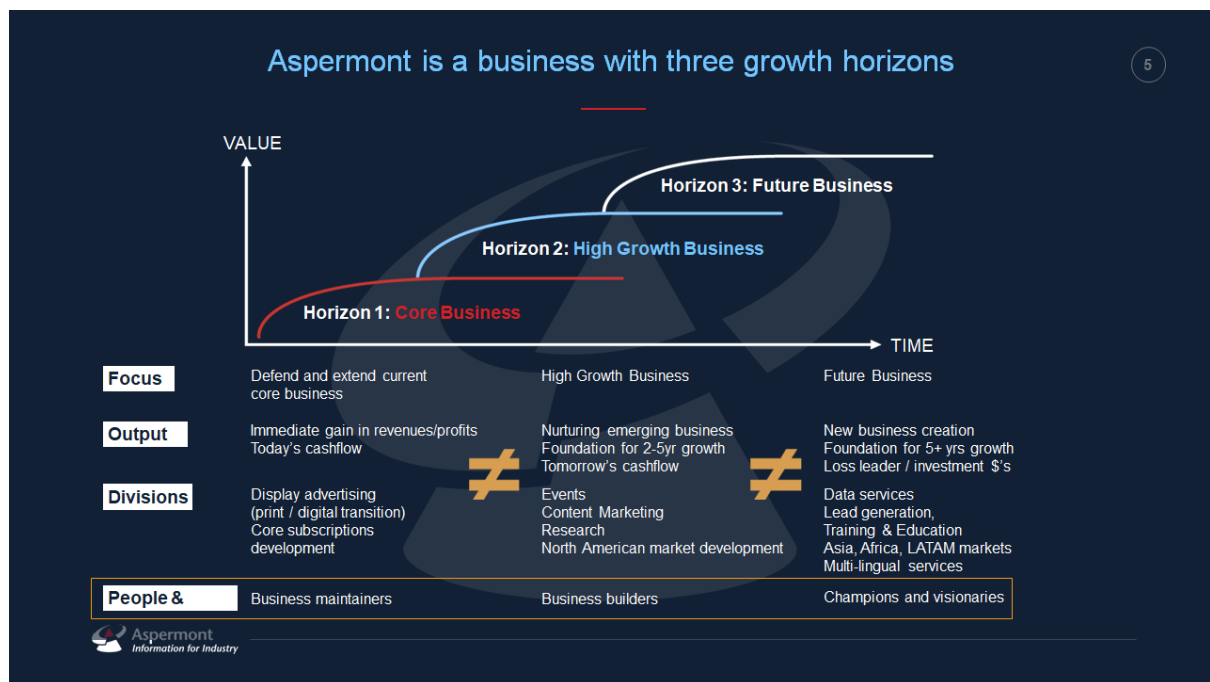


**ASPERMONT LIMITED
OPERATIONAL HIGHLIGHTS REPORT
FOR THE HALF YEAR ENDED 31 MARCH 2019**

Yet again we see another period of high pricing lifts, ARPU 10%, alongside improved renewal rates, 4%. Such characteristics continue to underline the strength of our content proposition and our automated marketing systems that allow commercial conversion into revenues.

As always our lifetime value (LTV) metric is the best expression of all part of our model as it requires the performance of all the other key metrics to advance. When all metrics move forward in unison, as they continue to do, the LTV growth is pronounced. Standing at over \$45m LTV for subscriptions alone and a current market cap for Aspermont almost 50% below that figure we continue to attract new shareholders.

Growth Strategies – 3 Horizons



As we [presented at our AGM this year](#), Aspermont sees growth over three horizons.

The first (H1) represents our core business and cash flow today; subscriptions and advertising, the two pillars Aspermont was built on.

The second (H2) represents those business units that we have recently launched and are nurturing to deliver added cash flow tomorrow– specifically Events, Research, Content Marketing and North America.

The third horizon (H3) represents those business units in which we are currently investing and developing for the future.

Over the last few years we have successfully defended our H1 advertising unit and delivered growth in a market with enormous disruption. Subscriptions have been in a high growth phase for some time as shown in our announcements. Events, Research and Content Marketing have all developed well as new H2 business units and increasingly contribute to overall group revenues. In time we believe they will transition into core business after maintaining high growth rates over the next several years

**ASPERMONT LIMITED
 OPERATIONAL HIGHLIGHTS REPORT
 FOR THE HALF YEAR ENDED 31 MARCH 2019**

As regards our H3 opportunities, we continue to launch new products, services and regional expansions on a consistent basis. Many H3 products now in development could potentially, on a stand-alone basis, over time be many times larger than Aspermont is today.

Current H3 Investment Areas

1. 'Content Works'
 - a. We have recently launched a new content agency brand called 'Content Works' which provides content creation services for our client base.

2. Account-Based-Marketing and Lead Generation
 - a. We have re-engineered our Account-Based-Marketing (ABM) and Lead Generation solutions to develop new revenue streams which will disrupt the very services that had disrupted our core advertising revenues over the previous 10 years

We look forward to updating the market on progress as we develop these new revenue lines in due course.

Beacon Events

We recently announced a global full and final settlement with Gainwealth and Beacon Events to close all outstanding matters between the three parties. This settlement resulted in a final payment to Aspermont of \$0.5m as announced on 13th May 2019.

We are grateful that we can now put many years of legal disruption behind as management can focus all time and effort to build new businesses for Aspermont.

Share Turnover & Liquidity

Over the last several years, liquidity in Aspermont shares has been improving. Quarter by quarter, the volume and value of shares traded has trended higher in tandem with our more confident management guidance.



**ASPERMONT LIMITED
OPERATIONAL HIGHLIGHTS REPORT
FOR THE HALF YEAR ENDED 31 MARCH 2019**

Outlook

Aspermont has been reinvigorated through our business transformation and by completion of our restructuring operation. Our digital media platform (Project Horizon) is now in full operation and we look to maximise returns as the global resource industries return to growth, as we are the leading media services provider to these industries. We have three primary growth drivers as we can: -

1. Offer new product solutions to complementary industry sectors such as agriculture, energy and technology
2. Expand our business across multiple geographies
3. Leverage our platform and our digital media expertise by launching new business lines – such as Events and Research.

The Directors of the Company and the senior management team remain focussed on these clear and substantial growth opportunities.

In FY19 we expect to deliver:

1. Strong top line growth
2. Growth in all revenue classes
3. Continued improvement in all our key SaaS metrics
4. Improving gross and net profit margins
5. Profitability and continued improvements in operational cashflow

Yours sincerely,



**Alex Kent
Managing Director
Aspermont Limited**

ASPERMONT LIMITED
OPERATIONAL HIGHLIGHTS REPORT
FOR THE HALF YEAR ENDED 31 MARCH 2019

Appendix 1: Normalised EBITDA

The reconciliation of statutory earnings to EBITDA is as follows:

Six Months Ended	31 March 2019	31 March 2018
	\$000	\$000
Reported income/(loss) from continuing operations before income tax expense	(6,017)	(685)
Net interest	28	17
Depreciation and amortisation	276	41
Other (share based payments & provisions, foreign exchange, other income)	(30)	-
Impairment of Receivables ⁽⁴⁾	4,944	-
Reported EBITDA	(799)	(627)
Fair value revaluation and interest receivable of Beacon loan/Option	-	(289)
Exceptional one-off charges ⁽²⁾	177	72
New business establishment costs ⁽³⁾	750	892
Normalised EBITDA⁽¹⁾	128	48

Normalised Cash Flow from Operations Reconciliation

Six Months Ended	31 March 2019	31 March 2018
	\$000	\$000
Cash flows from operating activities		
Cash receipts from customers	9,147	6,799
Cash outflows to suppliers and employees	(9,521)	(7,307)
Interest and other costs of finance paid	(17)	-
Cash outflow from Operating activities	(391)	(508)
Exceptional cash outflows ^{(2), (3)}	1,214	1,039
Normalised Cash inflow/(outflow) from operating activities ⁽¹⁾	823	531

Notes for Normalised EBITDA and Normalised Cash Flow from Operations reconciliations:

- (1) These normalized figures are based on internal management accounts that have not been audited
- (2) One-off expenses relating to business restructuring, divestments and legal costs.
- (3) Estimated expenditure in relation to the establishment of the Events business and the new Research and Data division.
- (4) As a result of the Beacon settlement announced on the 13th of May, a one-off non-cash charge has been taken.

**ASPERMONT LIMITED
DIRECTOR'S REPORT
FOR THE HALF YEAR ENDED 31 MARCH 2019**

The Directors present their six-month financial report on the consolidated entity (referred to hereafter as the Group) consisting of Aspermont Limited and the entities it controlled at the end of, or during, the half year ended 31 March 2019.

Directors

The following persons were directors of Aspermont Limited during the financial half year and up to the date of this report:

Andrew L. Kent
John Stark
Alex Kent
Geoffrey Donohue
Christian West
Clayton Witter

Principal activities

The Group's principal activities during the period were to provide market specific content across the Resources sectors through a combination of print, digital media channels and face to face networking channels.

Operating results

The operating loss before tax for continuing operations was \$6.0 million (2018: loss \$0.7 million).

Dividends

No dividend has been declared for the period (2018: no dividend).

Review of operations

A review of the operations of the Group during the financial half year has been set out in pages 4 to 10 of this report.

Significant changes in the state of affairs

The significant changes in the state of affairs of the Group during the half year are outlined in the preceding review of operations.

Events subsequent to the end of the half year

As announced on 3 May 2019 the Group issued 4,750,000 shares at \$0.01 per share. The shares were issued in respect of Non-Executive Directors Salary Sacrifice Share Plan.

As announced on 13 May 2019 the Group has entered into a full and binding Settlement Deed with Gainwealth Group Ltd and Beacon Events Ltd resolving all outstanding matters relating to the joint venture between the parties.

As announced on 14 May 2019 the Group issued 4,384,066 shares at an issue price of \$0.0100 and issued 4,799,742 shares at an issue price of \$0.0103. This was in respect of non-director executives who have elected to receive their bonus in shares.

No further events have occurred subsequent to the end of the half year.

**ASPERMONT LIMITED
DIRECTOR'S REPORT
FOR THE HALF YEAR ENDED 31 MARCH 2019**

Likely developments and expected results of operations

The upcoming year is expected to be one of further development in our Technology base and business models, alongside a return to profitability for the Group.

Environmental regulations

Environmental regulations do not have any impact on the Group, and the Group is not required to report under the National Greenhouse and Energy Reporting Act 2007.

AUDITORS DECLARATION

The lead auditor's independence declaration is set out on page 14 and forms part of the director's report for the half year ended 31 March 2019.

ROUNDING OF AMOUNTS

The parent entity has applied the relief available to it under Legislative Instrument 2016/191 and accordingly, amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

Dated at Perth this 22nd May 2019

Signed in accordance with a resolution of Directors:



**Alex Kent
Managing Director**



Auditor's Independence Declaration

To those charged with the governance of Aspermont Limited,

As auditor for the review of Aspermont Limited for the half-year ended 31 March 2019, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Nicholas Hollens

Nicholas Hollens
Managing Director

22 May 2019
Perth

ASPERMONT LIMITED
CONSOLIDATED INCOME STATEMENT FOR THE HALF YEAR ENDED 31 MARCH 2019

	Note	Half Year	
		31 March 2019 \$000	31 March 2018 \$000
Continuing operations			
Revenue		8,429	6,115
Cost of sales		(3,656)	(2,728)
Gross Profit		4,773	3,387
Distribution expenses		(323)	(141)
Marketing expenses		(2,555)	(2,101)
Occupancy expenses		(413)	(419)
Corporate and administration		(1,904)	(1,234)
Finance costs		(28)	(17)
Share based payments		(76)	(22)
Other expenses		(553)	(427)
Impairment of loan receivable		(4,944)	-
Other income		6	289
Loss from continuing operations before income tax expense		(6,017)	(685)
Income tax benefit/(expense) relating to continuing operations		(69)	156
Loss for the half year		(6,086)	(529)
Loss attributable to:			
Net loss attributable to equity holders of the parent entity		(6,086)	(529)
		(6,086)	(529)

The accompanying notes form part of these consolidated financial statements.

ASPERMONT LIMITED
CONSOLIDATED INCOME STATEMENT FOR THE HALF YEAR ENDED 31 MARCH 2019

	Cents	Cents
	31 March 2019	31 March 2018
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company		
Basic and diluted loss	(0.29)	(0.03)
Earnings per share for profit attributable to the ordinary equity holders of the company		
Basic and diluted earnings loss	(0.29)	(0.03)

ASPERMONT LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 MARCH 2019

	31 March 2019 \$000	31 March 2018 \$000
Net loss after tax for the half year	(6,086)	(529)
Other comprehensive loss <i>(Items that will be reclassified to profit or loss)</i>		
Foreign currency translation differences for foreign operations	(65)	(456)
Other comprehensive loss for the half year net of tax	(65)	(456)
Total comprehensive loss for the half year (net of tax)	(6,151)	(985)

ASPERMONT LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE HALF YEAR ENDED 31 MARCH 2019

	Note	31 March 2019 \$000	30 Sept 2018 \$000
CURRENT ASSETS			
Cash and cash equivalents		1,350	2,059
Trade and other receivables		1,639	1,858
TOTAL CURRENT ASSETS		2,989	3,917
NON-CURRENT ASSETS			
Other receivables		-	5,480
Financial assets		71	74
Property, plant and equipment		101	124
Deferred tax assets		2,279	2,272
Intangible assets and goodwill		8,864	8,842
TOTAL NON-CURRENT ASSETS		11,315	16,792
TOTAL ASSETS		14,304	20,709
CURRENT LIABILITIES			
Trade and other payables		4,109	4,502
Income in advance		4,028	4,193
Borrowings		23	(5)
TOTAL CURRENT LIABILITIES		8,160	8,690
NON-CURRENT LIABILITIES			
Deferred tax liabilities		2,279	2,272
Provisions		77	76
TOTAL NON-CURRENT LIABILITIES		2,356	2,348
TOTAL LIABILITIES		10,516	11,038
NET ASSETS		3,788	9,671
EQUITY			
Issued capital	2	67,916	67,744
Reserves		(11,851)	(11,882)
Accumulated losses		(52,277)	(46,191)
TOTAL EQUITY		3,788	9,671

The accompanying notes form part of these consolidated financial statements

ASPERMONT LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 MARCH 2019

	Issued Capital	Accumulated Losses	Other Reserves	Share Based Reserve	Currency Translation Reserve	Fixed Assets Reserve	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 October 2017	65,604	(45,248)	(9,954)	825	(2,389)	(278)	8,560
Loss for the period	-	(943)	-	-	-	-	(943)
Other comprehensive income							
Foreign currency translation differences for foreign operations	-	-	-	-	(170)	-	(170)
Total Comprehensive loss	-	(943)	-	-	(170)	-	(1,113)
Transactions with owners in their capacity as owners:							
Share issued (net of issue cost)	2,140	-	-	-	-	-	2,140
Issue of share options	-	-	-	84	-	-	84
Balance at 30 September 2018	67,744	(46,191)	(9,954)	909	(2,559)	(278)	9,671
Balance at 1 October 2018	67,744	(46,191)	(9,954)	909	(2,559)	(278)	9,671
Loss for the half year	-	(6,086)	-	-	-	-	(6,086)
Other comprehensive income							
Foreign currency translation differences for foreign operations	-	-	-	-	(65)	-	(65)
Total Comprehensive loss	-	(6,086)	-	-	(65)	-	(6,151)
Transactions with owners in their capacity as owners:							
Shares issued (net of issue costs)	172	-	-	-	-	-	172
Issue of performance rights	-	-	-	96	-	-	96
Issue of share options	-	-	-	-	-	-	-
Balance at 31 March 2019	67,916	(52,277)	(9,954)	1,005	(2,624)	(278)	3,788

The accompanying notes form part of these consolidated financial statements.

ASPERMONT LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 MARCH 2019

	Note	31 March 2019 \$000	31 March 2018 \$000
Cash flows from operating activities			
Cash receipts from customers		9,147	6,799
Cash payments to suppliers and employees		(9,521)	(7,307)
Interest and other costs of finance paid		(17)	-
Interest received		-	-
Income tax paid		-	-
Net cash (outflow)/inflow from operating activities	4	(391)	(508)
Cash flows from investing activities			
Payments for plant and equipment		(108)	(19)
Payment for intangible assets		(216)	(575)
Net cash outflow from investing activities		(324)	(594)
Cash flows from financing activities			
Proceeds from issue of shares		-	10
Share issue transaction costs		-	(4)
Net cash inflow from financing activities		-	6
Net (decrease)/increase in cash held		(715)	(1,096)
Cash at the beginning of the period		2,059	1,342
Effects of exchange rate changes on the balance of cash held in foreign currencies		6	3
Cash at the end of the period		1,350	249

The accompanying notes form part of these consolidated financial statements.

1. Summary of Significant Accounting Policies

(A) Basis of Preparation

The consolidated half-year financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards AASB 134 Interim Financial Reports and the Corporations Act 2001.

The consolidated half-year financial statements do not include all the information required for annual financial statements and should be read in conjunction with the consolidated annual financial statements of the consolidated entity as at and for the period ended 30 September 2018. The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The consolidated half-year financial statements were approved by the directors on 22nd May 2019.

(B) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(C) New Accounting Standards and Accounting Standards Issued but not yet applied

Certain new accounting standards and interpretations have been published that are not yet effective. The Group has elected not to early adopt these new standards or amendments in the financial report. The Group is currently assessing the impact the following accounting standards and amendments to accounting standards will have on the financial report, when applied in future periods. They include:

- AASB 16 - Leases

(D) Rounding of Amounts

The Company is of a kind referred to in Legislative Instrument 2016/191 and in accordance with the Legislative Instrument, amounts in the consolidated interim financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

(E) Going concern

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realization of assets and settlement of liabilities in the normal course of business.

For the half year ended 31 March 2019 the entity recorded a loss for the period of \$6.0 million from continuing operations before income tax, a net cash outflow from operating activities of \$0.4 million and net working capital deficiency excluding provisions and deferred revenue of \$1.1 million.

The Directors have reviewed the Company's overall position and believe the Company will have sufficient funds to meet the Company's commitments.

ASPERMONT LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 MARCH 2019

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

1. The Directors have forecast the group to generate positive operating cash flows in the next 12 months through an increase in revenue in the digital, subscription and events revenue streams and/or
2. The Directors expect the Group to be successful in securing additional funds through debt or equity issues if the need arises.

(F) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Additional estimates and judgements applied since the last reporting period include:

Key Estimates — Share Based Payments

The Group received shareholder approval on 1 February 2018 for an Incentive Performance Rights Plan for issue to the Executive team. Performance Rights were issued in two tranches:

1. Fifty percent of grant vests if the Company's returns on equity over a three year period are within 50-75% range of all companies in the S&P ASX 300.
2. Fifty percent of grant vests if the Company's total shareholder return (TSR) over a three year period is within 50-75% range of all companies in the S&P ASX 300

Valuation was undertaken in accordance with Accounting Standard AASB 2 ('Share Based Payments') and an independent expert was retained to determine fair value of a tranche of Performance Rights which were based on market conditions. The valuation approach followed a two-step process:

1. calculate the fair value of each PR issued; and
2. determine the total value of the PRs issued giving consideration to the total number of equity instruments expected to vest.

The Directors interpreted AASB 2 to require the valuer (a) consider the current likely probability of achieving each of the vesting conditions within the specified performance periods, and then (b) determine the number of equity securities that would be expected to vest, based on an estimate of the likely success or failure of each of the vesting conditions.

The Directors concluded the following:

Tranche	Vesting Condition	Estimated Probability of Success
1	ROE - Non-market	100%

ASPERMONT LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 MARCH 2019

2. Issued Capital

	31 March 2019 #	30 Sept 2018 #	2019 \$000	2018 \$000
Fully paid ordinary shares	2,100,490,109	2,083,294,903	67,916	67,744
Ordinary shares				
At the beginning of the reporting half year	2,083,294,903	1,856,225,458	67,744	65,604
Shares issued during the period:				
Rights issue	-	196,794,900	-	2,050
Share issue costs	-	8,205,100	(4)	(169)
Employee and NED share issue ¹	17,195,206	22,069,445	176	259
At Reporting date	2,100,490,109	2,083,294,903	67,916	67,744

¹ Issued were issued in Lieu of Non executor Director (NED) Fees and executive bonuses

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

3. Reserves

(a) Options

The establishment of the Executive Option Plan was approved by the directors in April 2000. The Executive Option Plan is designed to retain and attract skilled and experienced board members and executives and provide them with the motivation to make the Group successful. Participation in the plan is at the Board's discretion.

The exercise price of options issued will be not less than the greater of the minimum value set by the ASX Listing Rules and the weighted average closing sale price of the Company's shares on the ASX over the five days immediately preceding the day of the grant, plus a premium determined by the directors.

When shares are issued pursuant to the exercise of options, the shares will rank equally with all other ordinary shares of the Company.

No options were granted under the plan during this period.

(b) Employee Performance Rights

The Company has issued 47,500,000 Performance Rights to directors and employees pursuant to the Aspermont Incentive Performance Rights Plan ("The Plan"). During the current period 2,500,000 Performance Rights were issued (2018: 45,000,000).

No Performance Rights vested during the period.

ASPERMONT LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 MARCH 2019

At 31 March 2019, the Company had the following unlisted Performance Rights in Issue:	
Performance Rights – Managing Director (exercise price Nil)	27,000,000
Performance Rights – Employees (exercise price Nil)	20,500,000
Total Performance Rights on issue at 31 March 2019	47,500,000

The Plan was approved by the shareholders at the February 2018 annual general meeting. The scheme is designed to provide long-term incentives to the executive management team (including executive Directors) to deliver long-term shareholder returns. Under the Plan, participants are granted Performance Rights to receive ordinary shares which only vest if certain performance conditions are met. Participation in the Plan is at the Board's discretion and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits.

Performance Rights were issued in two tranches:

1. Fifty percent of grant vests if the Company's returns on equity over a three-year period are within 50-75% range of all companies in the S&P ASX 300.¹
2. Fifty percent of grant vests if the Company's total shareholder return (TSR) over a three year period is within 50-75% range of all companies in the S&P ASX 300¹

Once vested, the Performance Rights remain exercisable for a period of four years. Performance Rights Shares are granted under the Plan for no consideration and carry no voting rights during the vesting period. The Performance Rights have an implied service condition meaning the Directors and Employees must remain employed for the entire period.

The Tranche 1 Performance Rights were valued for a total of \$225,000 being expensed over the vesting period, with \$37,500 being charged to the consolidated income statement for this reporting period. This is based on a share price of \$0.01 and management's assessment of probability of achieving the performance conditions was set at 100%. This is reflected in the share based payment expense at 31 March 2019.

The fair value of Tranche 2 Performance Rights were determined to be \$0.007096 per right. The fair value at grant date was independently assessed using a model combines Trinomial and Monte Carlo methodologies and utilises the correlations, betas and volatilities of Aspermont, the S&P/ASX 300 Index and its constituents.

The model inputs for the rights granted included:

- Rights are granted at no consideration
- Grant date: 1 February 2018
- Vesting Period: three years
- Expiry date: seven years from issue
- Expected future price volatility of shares: 85.2%
- Risk free rate: 2.38%
- Dividend Yield: n/a

The Tranche 2 Performance Rights were valued for a total of \$181,705 being expensed over the vesting period based on a fair value of \$0.007096 per right, with \$38,248 being charged to the consolidated income statement for this reporting period.

ASPERMONT LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 MARCH 2019

4. Net cash (used in)/from operating activities

	31 Mar 2019 \$000	31 Mar 2018 \$000
Cash flows from operating activities		
Cash receipts from customers	9,147	6,799
Normalised cash outflows to suppliers and employees	(9,521)	(7,307)
Interest and other finance costs paid	(17)	-
Net normalised cash inflow/(outflow)	(391)	(508)
Exceptional/investment cash outflows ⁽¹⁾	1,214	1,039
Interest and other costs of finance paid	-	-
Interest received	-	-
Income tax paid	-	-
Net cash (used in)/ from operating activities	823	531

⁽¹⁾ Exceptional cash outflows are one-off expenses relating to business restructuring, divestments, legal costs and estimated expenditure in relation to the establishment of the Events business and the new Research and Data division.

ASPERMONT LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 MARCH 2019

5. Segment information

The economic entity primarily operates in the media publishing industry as well as in conferencing and investments, within Australia and in the United Kingdom.

Segment Reporting:

	31 March 2019 \$000	31 March 2018 \$000
Revenue		
Advertising - Digital	1,437	1,414
Advertising - Print	1,767	1,800
Subscriptions	3,166	2,834
Research & Data	125	-
Conferencing & Other revenue	1,934	67
Total segment revenue	8,429	6,115
Revenue by Geography ⁽¹⁾		
Australia/ Asia	4,849	3,728
Europe	1,070	882
America	2,386	1,505
Other	124	-
Total revenue	8,429	6,115
Result		
Segment result	3,402	2,886
<i>Unallocated items:</i>		
Corporate overheads	(4,177)	(3,802)
Impairment of loan receivable	(4,944)	-
Depreciation	(276)	(41)
Other income	6	289
Finance costs	(28)	(17)
Loss for period before income tax	(6,017)	(685)
	31 March 2019 \$000	30 Sep 2018 \$000
Segment assets	10,675	16,378
<i>Unallocated assets:</i>		
Cash	1,350	2,059
Deferred tax asset	2,279	2,272
Total assets	14,304	20,709
Liabilities	8,214	8,771
<i>Unallocated liabilities:</i>		
Deferred tax liabilities	2,279	2,272
Borrowings	23	(5)
Total liabilities	10,516	11,038

⁽¹⁾ Prior period figures were restated to show the same Geographic split as current period to show true like for like comparisons

5. Segment information (continued)

Reconciliation of reportable segment profit or loss:

Description of segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Chief Executive Officer who makes strategic decisions.

The segment derives revenue from subscription, advertising and sponsorship revenues from print and online publications as well as from running events and holding conferences in various locations across a number of trade sectors including the mining, agriculture, energy and resources sector.

Segment revenue and expenses:

Segment revenue and expenses are accounted for separately and are directly attributable to the segments.

6. Subsequent Events

As announced on 3 May 2019 the Group issued 4,750,000 shares at \$0.01 per share. The shares were issued in respect of Non-Executive Directors Salary Sacrifice Share Plan.

As announced on 13 May 2019 the Group has entered into a full and binding Settlement Deed with Gainwealth Group Ltd and Beacon Events Ltd resolving all outstanding matters relating to the joint venture between the parties.

As announced on 14 May 2019 the Group issued 4,384,066 shares at an issue price of \$0.0100 and issued 4,799,742 shares at an issue price of \$0.0103. This was in respect of non-director executives who have elected to receive their bonus in shares.

No further events have occurred subsequent to the end of the half year.

7. Contingent Liabilities

We are not aware of any contingent liabilities as at 31 March 2019 or to the date of this report.

ASPERMONT LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 MARCH 2019

8. Related Party

In this reporting period, share based payments were made for various services to related parties:

	2019 \$	2018 \$
Shares issued in Lieu of Directors fees ¹	95,000	150,000
Performance Rights Issued to Managing Director and KMP ²	64,110	22,088
	159,110	172,088

- 1 Issued to Mr Geoff Donohue, Mr Christian West and Mr Clayton Witter in lieu of accrued directors fees for the period from 1 October 2018 to 31 March 2019 amounting to \$95,000 (2018: \$150,000). 9,317,060 (2018: 15,000,000) shares were issued at \$0.01 (2018: \$0.01).
- 2 27 million rights were issued to Mr Alex Kent in relation to the Employee Rights Plan and 20.5 million to Key Management Personnel. The basis and valuation is detailed in note 3(b). The amount expensed is \$64,110 (2018: \$22,088).

9. Fair Value Measurement

Loan - Beacon

In 2012 Aspermont transferred its events business 'ABLEL' to Beacon Events Limited. Part of the consideration was the Aspermont Loan Note. The Aspermont Loan Note remains enforceable. The terms of the Note are:

- Term: Started July 2012, 8 years maturing in July 2020
- Interest rate: 3.5% per annum compounding monthly

As disclosed in Note 6 a binding agreement with Beacon Events Limited has occurred and subsequently settled post period end. In line with our accounting policies, objective evidence has been obtained relating to the carrying value of the loan receivable and an impairment of \$4.9 million has been recognised during the current reporting period.

The carrying value of the loan receivable at 30 September 2018 was \$5.4 million.

**ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES 31 MARCH 2019
DIRECTORS' DECLARATION**

In the directors' opinion:

1. the financial statements and notes set out on pages 15 to 27 are in accordance with the *Corporations Act 2001*, including:
 - a) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - b) giving a true and fair view of the consolidated entity's financial position as at 31 March 2019 and of its performance for the financial half year ended on that date; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Alex Kent
Director

Perth
22nd May 2019

Independent Auditor's Review Report

To the members of Aspermont Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Aspermont Limited, which comprises the consolidated statement of financial position as at 31 March 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors' determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 March 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Aspermont Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Aspermont Limited is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Aspermont Limited's financial position as at 31 March 2019 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Nicholas Hollens

Nicholas Hollens
Managing Director

22 May 2019
Perth