ASPERMONT LIMITED

ACN 000 375 048

NOTICE OF GENERAL MEETING

TIME: 4:00pm WST

DATE: 23 December 2014

PLACE: 613-619 Wellington Street, Perth, Western Australia

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6263 9100.

CONTENTS

IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 4:00pm WST on 23 December 2014 at:

613-619 Wellington Street, Perth, Western Australia

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm WST on 19 December 2014.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; or
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

1. RESOLUTION 1 – APPROVAL OF ISSUE OF SHARES TO MR ANDREW KENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 611 (Item 7) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for:

1. *the Company to issue 112,332,000 Shares to Drysdale Investments Ltd (**Drysdale**), an entity controlled by Mr Andrew Kent;*

2. *the Company to issue 106,741,600 Shares to Ileveter Pty Ltd (**Ileveter**), an entity controlled by Mr Andrew Kent; and*

3. *the acquisition of a relevant interest in the issued voting shares of the Company by Mr Andrew Kent otherwise prohibited by section 606(1) of the Corporations Act by virtue of the issue of the Shares referred to in paragraphs (a) and (b)(**Voting Acquisition**) which in addition to the 184,425,000 Shares already held, will result in Mr Andrew Kent's voting power increasing from 38.63% to 57.93% in the capital of the Company,*

on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: No votes may be cast in favour of this Resolution by:

(a) the person proposing to make the acquisition and their associates; or

(b) the persons (if any) from whom the acquisition is to be made and their associates.

Accordingly, the Company will disregard any votes cast on this Resolution by Mr Andrew Kent, Ileveter Pty Ltd, Drysdale Investments Ltd and any of their associates.

Expert's Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval required under Section 611 Item 7 of the Corporations Act. The Independent Expert's Report comments on the fairness and reasonableness of the transactions the subject of this resolution to the non-associated Shareholders in the Company.

2. RESOLUTION 2 – ISSUE OF SHARES TO RELATED PARTY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 7,675,100 Shares to NPV (W.A.) Securities Pty Ltd (or its nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Mr Nader (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 21 November 2014

By order of the Board

John R Detwiler
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – APPROVAL OF ISSUE OF SHARES TO MR ANDREW KENT

1.1 Background

In October 2006, Aspermont Limited (**Company**) was provided an unsecured loan of AUD$970,000 by Ileveter Pty Ltd (ACN 001790816) (**Ileveter**), an entity controlled by Mr Andrew Kent. During the year ended 30 June 2010, the Company was provided an unsecured loan of AUD$724,409 by Drysdale Investments Ltd a company incorporated in the Commonwealth of The Bahamas (No. 105,837 B) (**Drysdale**), an entity controlled by Mr Andrew Kent. As at the date of the Notice, the total amounts owing to Ileveter and Drysdale are $1,067,416 and $1,123,320 respectively, being a total amount of $2,190,736 owing to Mr Andrew Kent (**Loans**). The Loans each accrue interest on a day to day basis at a rate set at 9.5% per annum.

Mr Andrew Kent and the Company (the **Parties**) have agreed that the Loans will, at the election of the Company, be converted into fully paid ordinary shares in the capital of the Company (**Shares**) at a conversion rate of AUD$0.01 per Share (**Loan Conversion**), with $2,190,736 to be converted into Shares, equating to 219,073,600 Shares, in the manner set out in this Notice. The Shares will be issued to Ileveter and Drysdale, being entities controlled by Mr Andrew Kent. The Company entered into agreements with both Ileveter and Drysdale to this effect on 6 November 2014.

1.2 General

Resolution 1 seeks Shareholder approval for the purpose of Item 7 of Section 611 of the Corporations Act to allow the Company to issue 219,073,600 Shares (**New Shares**) to Mr Andrew Kent. The issue of the New Shares, when aggregated with the existing Shares held by Mr Andrew Kent, will result in Mr Andrew Kent's voting power in the Company increasing from 38.63% up to 57.93%.

1.3 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Shares constitutes giving a financial benefit and Mr Andrew Kent is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Andrew Kent who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Shares because the agreement to convert the Loan into Shares was negotiated on an arms length basis.

1.4 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the issue of Shares to Mr Andrew Kent involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

1.5 Item 7 of Section 611 of the Corporations Act

(a) **Section 606 of the Corporations Act – Statutory Prohibition**

Pursuant to Section 606(1) of the Corporations Act, a person must not acquire a relevant interest in issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person's or someone else's voting power in the company increases:

(i) from 20% or below to more than 20%; or

(ii) from a starting point that is above 20% and below 90%,

(**Prohibition**).

(b) **Voting Power**

The voting power of a person in a body corporate is determined in accordance with Section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

(c) **Associates**

For the purposes of determining voting power under the Corporations Act, a person (**second person**) is an "associate" of the other person (**first person**) if:

(i) (pursuant to Section 12(2) of the Corporations Act) the first person is a body corporate and the second person is:

(A) a body corporate the first person controls;

(B) a body corporate that controls the first person; or

(C) a body corporate that is controlled by an entity that controls the person;

(ii) the second person has entered or proposes to enter into a relevant agreement with the first person for the purpose of controlling or influencing the composition of the company's board or the conduct of the company's affairs; or

(iii) the second person is a person with whom the first person is acting or proposes to act, in concert in relation to the company's affairs.

Associates are, therefore, determined as a matter of fact. For example where a person controls or influences the board or the conduct of a company's business affairs, or acts in concert with a person in relation to the entity's business affairs.

An entity controls another entity if it has the capacity to determine the outcome of decisions about that other entity's financial and operating policies.

A relevant agreement includes an agreement, arrangement or understanding, whether written or oral, formal or informal and whether or not having legal or equitable force.

There are no persons who are associates of Mr Andrew Kent in accordance with this definition.

Mr Andrew Kent's son, Mr Alex Kent, is a shareholder and director of the Company. Mr Andrew Kent has confirmed that he and Mr Alex Kent do not act in concert in relation to the Company's affairs, with each party acting independently to the other in forming decisions in relation to the Company's business. The parties are therefore not associates as defined in the Corporations Act, and Mr Alex Kent's shareholding will not be included in calculations relating to the shareholding of Mr Andrew Kent.

(d) **Relevant Interests**

Section 608(1) of the Corporations Act provides that a person has a relevant interest in securities if they:

(i) are the holder of the securities;

(ii) have the power to exercise, or control the exercise of, a right to vote attached to the securities; or

(iii) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

In addition, Section 608(3) of the Corporations Act provides that a person has a relevant interest in securities that any of the following has:

(i) a body corporate in which the person's voting power is above 20%;

(ii) a body corporate that the person controls.

Mr Andrew Kent's current shareholding consists of indirect holdings held by Drysdale Investments Ltd, Annis Trading Limited, Blue Sea Investment Holdings and Ileveter Pty Ltd. These entities are each controlled by Mr Andrew Kent and have the current holdings as set out below.

Party	Holding as at the date of this Notice of Meeting	Relevant Interest after the issue of the New Shares
Drysdale Investments Ltd	117,312,500	229,644,500
Ileveter Pty Ltd	50,000	106,791,600
Annis Trading Limited	9,562,500	9,562,500
Blue Sea Investment Holdings	57,500,000	57,500,000

1.6 Reason Section 611 Approval is Required

Item 7 of Section 611 of the Corporations Act provides an exception to the Prohibition, whereby a person may acquire a relevant interest in a company's voting shares with shareholder approval.

Following the issue of the New Shares, Mr Andrew Kent will have a relevant interest in 403,498,600 Shares in the Company, representing 57.93% voting power in the Company. This assumes that no other Shares are issued or Options are exercised.

Accordingly, Resolution 1 seeks Shareholder approval for the purpose of Section 611 Item 7 and all other purposes to enable the Company to issue the New Shares to Mr Andrew Kent.

1.7 Specific Information required by Section 611 Item 7 of the Corporations Act and ASIC Regulatory Guide 74

The following information is required to be provided to Shareholders under the Corporations Act and ASIC Regulatory Guide 74 in respect of obtaining approval for Item 7 of Section 611 of the Corporations Act. Shareholders are also referred to the Independent Expert's Report prepared by DMR Corporate Pty Ltd annexed to this Explanatory Statement.

(a) **Identity of the Acquirer and its Associates**

The acquirer is Mr Andrew Kent.

There are no associates of Mr Andrew Kent for the purposes of determining its voting power under the Corporations Act.

(b) **Relevant Interest and Voting Power**

The relevant interests of Mr Andrew Kent in voting shares in the capital of the Company and voting power of Mr Andrew Kent (both current, and following the issue of the New Shares to Mr Andrew Kent as contemplated by this Notice) are set out in the table below:

Party	Relevant Interest as at the date of this Notice of Meeting	Voting power as at the date of this Notice of Meeting	Relevant Interest after the issue of the New Shares	Voting power after the issue of the New Shares
Mr Andrew Kent	184,425,000	38.63%	403,498,600	57.93%
Drysdale Investments Ltd	117,312,500	24.57%	229,644,500	32.97%

The maximum voting power that Mr Andrew Kent will hold after the issue of the Shares is 403,498,600 Shares, being a maximum voting power of 57.93%. This represents a maximum increase in voting power of 19.30%.

In the event that Shares are issued under Resolution 2 of the Notice, Mr Andrew Kent's voting power will be diluted to 57.30%.

Further details on the voting power of Mr Andrew Kent are set out in the Independent Expert's Report prepared by DMR Corporate Pty Ltd.

(c) **Assumptions**

Note that the following assumptions have been made in calculating the above:

(i) the Company has 477,420,986 Shares on issue as at the date of this Notice of Meeting;

(ii) the Company does not issue any additional Shares; and

(iii) no Options are exercised.

(d) **Reasons for the proposed issue of securities**

As set out in Section 1.1 of this Explanatory Statement, the reason for the issue of Shares to Mr Andrew Kent is to satisfy the Loan.

(e) **Date of proposed issue of securities**

The Shares the subject of Resolution 1 will be issued on a date after the Meeting to be determined by the Company and Mr Andrew Kent within 1 month of the Meeting.

(f) **Material terms of proposed issue of securities**

As set out in section 1.1 of this Explanatory Statement the Company is proposing to issue 219,073,600 New Shares for nil cash consideration, to satisfy $2,190,736 outstanding on the Loans.

(g) **Mr Andrew Kent's Intentions**

Other than as disclosed elsewhere in this Explanatory Statement, the Company understands that Mr Andrew Kent:

(i) has no present intention of making any significant changes to the business of the Company;

(ii) has no present intention to inject further capital into the Company;

(iii) has no present intention of making changes regarding the future employment of the present employees of the Company;

(iv) does not intend to redeploy any fixed assets of the Company;

(v) does not intend to transfer any property between the Company and Mr Andrew Kent; and

(vi) has no intention to change the Company's existing policies in relation to financial matters or dividends.

These intentions are based on information concerning the Company, its business and the business environment which is known to Mr Andrew Kent at the date of this document.

These present intentions may change as new information becomes available, as circumstances change or in the light of all material information, facts and circumstances necessary to assess the operational, commercial, taxation and financial implications of those decisions at the relevant time.

(h) **Identity, associations and qualifications of Nominee Director**

Mr Andrew Kent will not nominate a director to the Board of the Company.

(i) **Interests and Recommendations of Directors**

(i) the Directors (other than Mr Andrew Kent who has a material personal interest in Resolution 1) do not have any material personal interests in the outcome of Resolution 1 and unanimously recommend that Shareholders vote in favour of Resolution 1. The Director's recommendations are based on the reasons outlined in section 1.8 below.

(ii) The Directors are not aware of any other information other than as set out in this Notice of Meeting that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 1.

(j) **Capital Structure**

Below is a table showing the Company's current capital structure and the possible capital structure on completion of the Issue.

	Shares	Options
Balance at the date of this Notice	477,420,986	26,900,000[1]
Balance after Issue of the New Shares	704,169,686	26,900,000[1]

Notes

1. 21,900,000 unlisted Options exercisable at $0.15 on or before 30 October 2015 and 5,000,000 unlisted Options exercisable at $0.15 on or before 30 October 2016.

Assumptions:

- no additional Shares are issued by the Company; and
- none of the Existing Options expire, or are converted, prior to the date of this Meeting.

1.8 Advantages of the Issue – Resolution 1

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on proposed Resolution 1:

(a) the issue of the Shares to Mr Andrew Kent, if approved by Shareholders, will mean the Company does not have to repay the Loans, which would decrease the Company's cash position;

(b) the issue of Shares to Mr Andrew Kent will complete the Company's obligations pursuant to the agreement to convert the Loans and will not require renegotiation of its terms; and

(c) DMR Corporate Pty Ltd has concluded that the issue of the New Shares is not fair but reasonable to the non-associated shareholders.

1.9 Disadvantages of the Issue – Resolution 1

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on proposed Resolution 1:

(a) the issue of the New Shares to Mr Andrew Kent will increase the voting power of Mr Andrew Kent from 38.63% to 57.93%, reducing the voting power of non-associated Shareholders in aggregate from 61.37% to 42.07%;

(b) existing Shareholders may have their current Share holdings diluted by up to 31.44%, meaning existing Shareholders will receive less distribution of the Company's profits; and

(c) there is no guarantee that the Company's Shares will not fall in value as a result of the Issue.

1.10 Independent Expert's Report – Resolution 1

The Independent Expert's Report prepared by DMR Corporate Pty Ltd (a copy of which is attached as Annexure 1 to this Explanatory Statement) assesses whether the transactions contemplated by Resolution 1 are fair and reasonable to the non-associated Shareholders of the Company.

The Independent Expert's Report concludes that the transactions contemplated by Resolution 1 are not fair but reasonable to the non-associated Shareholders of the Company.

The Independent Expert's Report also contains an assessment of the advantages and disadvantages of the proposed issue of the Shares the subject of Resolution 1. This assessment is designed to assist all Shareholders in reaching their voting decision.

Shareholders are urged to carefully read the Independent Expert's Report to understand the scope of the report, the methodology of the valuation and the sources of information and assumptions made.

1.11 Technical Information required by ASX Listing Rule 10.13

A summary of ASX Listing Rule 10.11 is set out in Section 1.4 above.

The effect of Resolution 1 will be to allow the Directors to issue the New Shares during the period of 1 month after the Meeting (or a longer period, if allowed by ASX) to a related party of the Company and without using the Company's 15% annual placement capacity.

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolution 1:

(a) the number of Shares to be issued is:

   (i) 106,741,600 Shares to Ileveter Pty Ltd (or its nominee);

   (ii) 112,332,000 Shares to Drysdale Investments Ltd (or its nominee);

   (iii) the number of Shares to be issued is 219,073,600;

(b) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;

(c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and

(d) the Shares will be issued for nil cash consideration as conversion of the Loan, accordingly no funds will be raised.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Shares as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Shares to Mr Andrew Kent (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

1.12 Pro forma balance sheet

A pro forma balance sheet of the Company post the completion of the issue is set out in Schedule 1.

2. RESOLUTION 2 – ISSUE OF SHARES TO RELATED PARTY

2.1 General

In May 2014, the Company was provided an unsecured loan of AUD$73,000 by NPV (W.A.) Securities Pty Ltd (**Charbel Loan**). NPV (W.A.) Securities Pty Ltd (ACN 089 624 233) is an entity controlled by Mr Charbel Nader, who is a related party of the Company by virtue of being a Director. As at the date of the Notice, the total amount owing to Mr Charbel Nader equates to $76,751. The Charbel Loan accrues interest on a daily basis at a rate set at 8.5% per annum.

NPV (W.A.) Securities Pty Ltd and the Company have agreed that the Charbel Loan will, at the election of the Company, be converted into Shares at a conversion rate of AUD$0.01 per Share (**Charbel Loan Conversion**), equating to 7,675,100 Shares, in the manner set out in this Notice. The Company and NPV

(W.A.) Securities Pty Ltd entered into an agreement to this effect on 5 November 2014.

Resolution 2 seeks Shareholder approval for the issue of the Shares to NPV (W.A.) Securities Pty Ltd (or its nominee).

A summary of Chapter 2E of the Corporations Act and ASX Listing Rule 10.11 is set out in sections 1.3 and 1.4 above respectively.

2.2 Chapter 2E of the Corporations Act

The issue of Shares constitutes giving a financial benefit and NPV (W.A.) Securities Pty Ltd is a related party of the Company. NPV (W.A.) Securities Pty Ltd is an entity controlled by Mr Charbel Nader, who is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Charbel Nader who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Shares because the agreement to convert the Charbel Loan into Shares was negotiated on an arms length basis.

2.3 ASX Listing Rule 10.11

As the issue of Shares involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

2.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolution 2:

(a) the Shares will be issued to NPV (W.A.) Securities Pty Ltd (or its nominee);

(b) the number of Shares to be issued is 7,675,100;

(c) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;

(d) the Shares will be issued for nil cash consideration, accordingly no funds will be raised; and

(e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Shares as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Shares to NPV (W.A.) Securities Pty Ltd (or its nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

GLOSSARY

$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Aspermont Limited (ACN 000 375 048).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Drysdale Investments Ltd, a company incorporated in the Commonwealth of The Bahamas (No. 105,837 B) 6 March 2000.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Ileveter means Ileveter Pty Ltd (ACN 001790816).

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – PRO FORMA BALANCE SHEET OF COMPANY

The pro-forma balance sheet has been prepared assuming all debt conversions are approved by the shareholders.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	AUDITED 30 June 2014 000's	PROFORMA 30 June 2014 After conversion of related party debt 000's
CURRENT ASSETS		
Cash[1]	$1,416	$1,416
Other current assets	5,688	5,688
TOTAL CURRENT ASSETS	$7,104	$7,104
NON-CURRENT ASSETS		
Property, plant and equipment	$248	$248
Intangible and other non-current assets	33,789	33,789
TOTAL NON-CURRENT ASSETS	$34,037	$34,037
TOTAL ASSETS	$41,141	$41,141
CURRENT LIABILITIES		
Creditors and payables	$13,811	$13,811
Borrowings	8,425	6,158
TOTAL CURRENT LIABILITIES	$22,236	$19,969
Borrowings	--	--
Other non-current liabilities	8,711	8,711
TOTAL NON-CURRENT LIABILITIES	$8,711	$8,711
TOTAL LIABILITIES	$30,947	$28,680
NET ASSETS (LIABILITIES)	$10,194	$12,461
EQUITY	$10,194	$12,461

DMR
CORPORATE

DMR Corporate Pty Ltd A.C.N. 063 564 045
470 Collins Street
Melbourne Telephone (03) 9629 4277
Victoria 3000 Facsimile (03) 9629 4598
Australia Web www.dmrcorporate.com.au

19 November 2014

The Directors
Aspermont Limited
613 – 619 Wellington Street
Perth
WA 6000

Dear Sirs,

Re: Independent Expert's Report

1. Introduction

You have requested DMR Corporate Pty Ltd ("DMR Corporate") to prepare an independent expert's report in respect of a proposal pursuant to which Mr Andrew Kent and associated entities will convert unsecured, interest bearing loans previously made to Aspermont Limited ("Aspermont" or "the Company") into Aspermont shares.

Aspermont is a company listed on the ASX. Its activities are focused on the production of business to business and business to consumer information services, across the resource and construction sectors, delivered through print, conferencing and online media channels. The company produces 15 print magazines and 10 on-line publications with its flagship brand being MiningNews.net. These are also supplemented with a suite of additional service offerings, including industry specific search engines, archives and directories, tailored editorial facilities and graphic design capability. Aspermont launched its own conferencing business in 2005 and also provides marketing services to its clients born primarily out of the requirements of Aspermont's publishing clients.

Mr Andrew Kent is a director of Aspermont and is also Aspermont's largest shareholder with a beneficial interest in 38.62% of Aspermont's issued shares. The proposed conversion of debt into equity will require shareholder approval pursuant to Section 611 of the Corporations Act 2001 ("the Act") as it will further increase Mr Kent's interest in Aspermont.

As at 30 June 2014, Aspermont owed Mr Kent and associated entities the sum of $2,105,000. Interest at the rate of 9.5% per annum is payable on the amount outstanding. We have been advised that the balance outstanding has increased to $2,190,736 as at 31 October 2014. Mr Kent has offered to convert the sum of $2,190,736 into Aspermont shares at a conversion rate of $0.01 per share.

As can be seen from the following table, if the Aspermont shareholders approve the conversion of debt to equity and the Associates of Mr Kent convert the loans into Aspermont shares, Mr Kent and his Associates will increase their voting power in Aspermont from 38.62% up to 57.93%:

	Number of Shares	Voting Power
Mr Andrew Kent and/or Associates		
Shares currently held	184,425,000	26.48%
Shares to be issued pursuant to the Proposed Transaction	219,073,600	31.45%
Sub Total - Mr Andrew Kent and/or Associates	403,498,600	57.93%
Shares held by Non-Associated Shareholders	292,995,986	42.07%
Total	696,494,586	100.00%

On 9 May 2014, Aspermont received a secured loan of $73,000 from NPV W.A. Securities Pty Ltd ("NPV Securities") an entity associated with Mr Charbel Nader, a director of Aspermont. The NPV Securities loan accrues interest on a daily basis at a rate set at 8.5% per annum, which is capitalized on a monthly in advance basis. Mr Nader is also proposing to convert the loan into Aspermont shares at a conversion rate of $0.01 per share. As the issue of shares to NPV Securities requires prior shareholder approval, the potential issue of shares to NPV Securities has not been taken into account in the above table. If we were to assume that shareholders will approve the issue of shares to NPV Securities, the total number of shares on issue would increase to 704,169,686 and Mr Kent's voting power would increase to 57.30%.

Aspermont has advised that it intends to undertake a private placement, in which Mr Kent and associated entities are not to participate. As there is no certainty that this private placement will be completed, its impact on Aspermont's voting power is not reflected in the above table.

The transaction, as set out in Section 2 below, is permitted by Section 611 of the Corporations Act 2001 ("the Act") provided it is agreed to by shareholders, other than those involved in the proposed transaction or persons associated with such persons (i.e. the Non-Associated Shareholders).

2. The Proposed Transaction

2.1 Definition of the Proposed Transaction

Shareholders are being asked to vote on the following resolution:

> *"That, for the purposes of section 611 (Item 7) of the Corporations Act, Chapter 2E of the Corporations Act ASX Listing Rule 10.11 and for all other purposes, approval is given for:*
>
> *(a) the Company to issue 112,332,000 Shares to Drysdale Investments Ltd (Drysdale), an entity controlled by Mr Andrew Kent;*
>
> *(b) the Company to issue 106,741,600 Shares to Ileveter Pty Ltd (Ileveter), an entity controlled by Mr Andrew Kent; and*

(c) the acquisition of a relevant interest in the issued voting shares of the Company by Mr Andrew Kent otherwise prohibited by section 606(1) of the Corporations Act by virtue of the issue of the Shares referred to in paragraphs (a) and (b)(Voting Acquisition) which in addition to the 184,425,000 Shares already held, will result in Mr Andrew Kent's voting power increasing from 38.62% to 57.93% in the capital of the Company",

on the terms and conditions set out in the Explanatory Statement."

We refer to the above resolution as "the Proposed Transaction".

2.2 Details of the Loans to be Capitalised

Set out below are the key terms of the loans from entities associated with Mr Kent that Aspermont is proposing to convert into equity:

Drysdale Investment Limited ("Drysdale")

- The Drysdale loan accrues interest on a day to day basis at a rate set at 9.5% per annum, with the interest rate subject to change in accordance with the annual review date as per the loan agreement which governs this loan;
- Aspermont must pay an annual fee of $5,000 on each anniversary of the loan;
- As at 31 October 2014, the total amount owing to Drysdale equates to $1,123,320;

Ileveter Pty Ltd ("Ileveter")

- The Ileveter loan accrues interest on a day to day basis at a rate set at 9.5% per annum, with the interest rate subject to change in accordance with the annual review date as per the loan agreement which governs this loan;
- Aspermont must pay an annual fee of $25,000 on each anniversary of the loan;
- As at 31 October 2014, the total amount owing to Ileveter equates to $1,067,416;

The Directors of Aspermont have requested DMR Corporate to prepare an independent expert's report in accordance with ASIC Regulatory Guide 111 – Content of expert reports. ASIC Regulatory Guide 111 requires the Independent Expert to advise shareholders whether the Proposed Transaction is fair and reasonable, when considered in the context of the interests of the Non-Associated Shareholders.

A copy of our report will accompany the Notice of Meeting and will be included as part of the Explanatory Statement to be sent by Aspermont to its shareholders.

3. Summary Opinion

Fairness

- In Section 7.8 we assessed the value of the Aspermont shares on a control basis to be in a range of $0.017 to $0.030 per share. This represents our assessment of what we regard as being a fair price that a bidder seeking to acquire 100% ownership of Aspermont should offer.

- The proposed transaction provides an opportunity for entities associated with Mr Andrew Kent to acquire Aspermont shares at price of $0.010 per share.

As the subscription price of $0.010 per share is less than our assessment of the value of the Aspermont shares on a control basis ($0.017 to $0.030 per share), we have concluded that **the Proposed Transaction is not fair**.

Reasonableness

In Section 10 we identified a number of other factors that shareholders should consider. The more significant factors are:

- Aspermont is in the midst of undertaking a strategy to recapitalise the balance sheet. Part of this strategy is the recent completion of the rights issue, conversion of related party debt, which is the subject of the Proposed Transaction, and then the follow-on private placement. If Aspermont does not obtain approval for the Proposed Transaction, this may adversely impact its ability to complete a subsequent private placement on acceptable terms.

- Aspermont reported a loss for the financial year ended 30 June 2014 and it is in need of additional funding to sustain its operations and to further develop the business. Whilst the Proposed Transaction will not increase the amount of funding available to Aspermont as it merely capitalises existing debt, it will eliminate the interest cost of servicing this debt and associated borrowing costs and will reduce the Company's gearing.

- Aspermont has recently completed a rights issue offering shares to its existing shareholders on the same basis as it is offering the conversion of debt to equity under the Proposed Transaction. The rights issue was on a 1:1 basis and thus did not result in a dilution of the Non-Associated Shareholders unless they failed to take up their entitlements, however the Proposed Transaction will dilute the interests of all Non-Associated Shareholders.

After reviewing the results of our assessment of the fairness of the Proposed Transaction set out in Section 9 and after evaluating the other considerations set out in Section 10, we consider that **the Proposed Transaction is not fair but reasonable to the Non-Associated shareholders.**

4. Structure of this Report

This report is divided into the following Sections:

5. Purpose of the Report

This report has been prepared to meet the following regulatory requirements:

- **Corporations Act 2001**

  Section 606 of the Act contains a general prohibition on the acquisition of shares in a company if, as a result of the acquisition, any person increases his or her voting power in the company from a starting point that is above 20% and below 90%.

  Section 611 of the Act contains various exceptions to the Section 606 prohibition. For an acquisition of shares, pursuant to the Proposed Transaction, to fall within the exceptions, the acquisition must be approved in advance by a resolution passed at a general meeting of the company in which shares will be acquired.

  Aspermont is seeking shareholder approval to issue fully paid shares to Mr Kent and his associated entities. Mr Kent currently holds 38.62% of Apermont's voting power. Approval of the Proposed Transaction may increase his voting power up to 57.93%.

- **ASIC Regulatory Guides**

  This report has been prepared in accordance with the ASIC Regulatory Guides and more particularly:

  RG 111 – Content of Expert Reports ("RG111")

  RG 111.24 An issue of shares by a company otherwise prohibited under S606 may be approved under item 7 of S611 and the effect on the company's shareholding is comparable to a takeover bid. Examples of such issues approved under item 7 of S611 that are comparable to takeover bids under Ch 6 include:

  (b) a company issues securities in exchange for cash and, as a consequence, the allottee acquires over 20% of the company. The allottee could have achieved the same or a similar outcome by using a cash-rich entity to make a scrip takeover bid for the company.

RG111.27 There may be circumstances in which the allottee will acquire 20% or more of the voting power of the securities in the company following the allotment or increase an existing holding of 20% or more, but does not obtain a practical measure of control or increase its practical control over that company. If the expert believes that the allottee has not obtained or increased its control over the company as a practical matter, then the expert could take this outcome into account in assessing whether the issue price is 'reasonable' if it has assessed the issue price as being 'not fair' applying the test in RG111.11.

RG111.10 It has long been accepted in Australian mergers and acquisitions practice that the words 'fair and reasonable' in S640 established two distinct criteria for an expert analysing a control transaction:

(a) is the offer 'fair'; and
(b) is it 'reasonable'?

That is, 'fair and reasonable' is not regarded as a compound phrase.

RG111.11 Under this convention, an offer is 'fair' if the value of the offer price or consideration is equal to or greater than the value of the securities the subject of the offer[1]. This comparison should be made:

(b) assuming 100% ownership of the 'target' and irrespective of whether the consideration is scrip or cash. The expert should not consider the percentage holding of the 'bidder' or its associates in the target when making this comparison. For example, in valuing securities in the target entity, it is inappropriate to apply a discount on the basis that the shares being acquired represent a minority or 'portfolio' parcel of shares.

RG111.12 An offer is 'reasonable' if it is fair. It might also be 'reasonable' if, despite being 'not fair', the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the close of the offer.

ASIC Regulatory Guide 111 requires that the Proposed Transaction be assessed as if it was a takeover of Aspermont.

In assessing a takeover bid Regulatory Guide 111 states that the expert should consider whether the Proposed Transaction is both "fair" and "reasonable".

- **General**

The terms "fair" and "reasonable" are not defined in the Act, however guidance as to the meaning of these terms is provided by ASIC in Regulatory Guide 111. For the purpose of this report, we have defined them as follows:

Fairness - the Proposed Transaction is "fair" if the subscription price of $0.01 per share payable by Mr Kent and associated entities is equal to or greater than the value of the Aspermont shares when assessed on a control basis.

Reasonableness - the Proposed Transaction is "reasonable" if it is fair. It may also be "reasonable" if, despite not being "fair" but after considering other significant factors, shareholders should vote in favour of the Proposed Transaction in the absence of a superior proposal being received.

[1] In an ASIC Corporate Finance Liaison presentation in May 2013, ASIC has expressed the view that transactions pursuant to item 7 of Section 611 should be assessed by "comparing the fair market value of the company's shares pre-transaction on a control basis, with the fair market value of the company's shares post-transaction on a minority basis."

In determining whether the Proposed Transaction is fair, we have:

- valued the Aspermont shares on a control basis; and
- compared the value of the Aspermont shares with the subscription price of $0.01 per share.

In determining whether the Proposed Transaction is reasonable we have analysed other significant factors, which the Non-Associated Shareholders should consider prior to accepting or rejecting the Proposed Transaction.

6. Aspermont - Key Information

6.1 Background

Aspermont's origins are with its flagship magazine, Australia's Mining Monthly, established over 25 years ago.

Aspermont was listed on the ASX in April 2000 and following a management restructure in 2005 went on in 2006/2007 to develop and acquire business interests in several new companies that leveraged on its core strengths in print, online and conferencing media.

Aspermont operates a media business comprising of three divisions: Print ("Aspermont Print"), Online ("Aspermont Online") and Conferencing ("Aspermont Conferencing"). Aspermont has a corporate and group costs centre, which houses the administrative and overhead costs of the business and employs corporate staff and Directors. The business reports the above divisions on a consolidated basis under Media with the performance of other investments being reported separately.

Aspermont's print business remains a critical mainstay of the business with 15 in-house publications produced by the division and several other publications produced in partnership with external agencies. An overview of Aspermont's suite of print publications is presented in Appendix A.

In July 2012 Aspermont contributed its worldwide events business to Beacon Events Limited ("Beacon") which is a Hong Kong based company that operates in the events business, in exchange for 60% of the equity in Beacon.

The directors of Aspermont at the date of this report are:

Director	Position
Mr Andrew Kent	Executive Chairman
Mr Charbel Nader	Vice Chairman /Non executive Director
Mr Colm O'Brien	Managing Director
Mr Alex Kent	Executive Director
Mr Lewis Cross	Non executive Director
Mr John Stark	Non executive Director
Mr Rod Whyte	Non executive Director

6.2 Share Capital

As at the date of this report Aspermont had 477,420,986 fully paid ordinary shares on issue.

The 20 largest shareholders are presented in the table below. The top 20 shareholders held 80.07% of the issued share capital as at 20 October 2014.

Shareholder	No of Shares	%
Drysdale Investments Limited	117,312,500	24.57%
Blue Sea Investment Holdings Pty Ltd	57,500,000	12.04%
Allan Dale Real Estate Pty Ltd	27,470,000	5.75%
Cannavo Investments Pty Ltd	21,854,000	4.58%
Mr John Stark & Mrs Julie Stark	18,252,000	3.82%
Glacier Media Inc	17,274,634	3.62%
Ginga Pty Ltd	17,000,000	3.56%
Blackcourt (NSW) Pty Ltd	15,000,000	3.14%
Vallas Investments Pty Ltd	14,648,126	3.07%
Mr Alan Cowen	10,067,712	2.11%
Yarandi Investments Pty Ltd	10,000,000	2.09%
Annis Trading Limited	9,562,500	2.00%
Citicorp Nominees Pty Ltd	8,362,513	1.75%
Mr Robert Miller	6,962,706	1.46%
Yarandi Investments Pty Ltd	5,846,316	1.22%
A & C Gal Investments Pty Ltd	5,256,554	1.10%
National Nominees Limited	5,130,629	1.07%
Allan Dale Real Estate Pty Ltd	5,000,000	1.05%
LNS Trading Pty Ltd	5,000,000	1.05%
Pannin Pty Ltd	4,773,615	1.00%
Total number of shares held by the twenty largest holders	382,273,805	80.07%

Source: ASP Top 20 Report - 20 October 2014

Aspermont also had the following options on issue:

- 21,900,000 options exercisable at \$0.15 on or before their expiry date of 30 October 2015.
- 5,000,000 options exercisable at \$0.15 on or before their expiry date of 30 October 2016.

6.3 Financial Performance

Aspermont's audited Consolidated Statement of Profit and Loss and Other Comprehensive Income for the years ended 30 June 2012, 2013 and 2014 are presented in the table below.

Consolidated Statement of Profit and Loss and other Comprehensive Income	Financial Year Ended		
	30-Jun-12	30-Jun-13	30-Jun-14
	Audited	Audited	Audited
	$000	$000	$000
Revenue From Continuing Operations			
Sales revenue - subscriptions & advertising	32,806	40,179	36,455
Cost of sales	(11,971)	(17,792)	(17,583)
Gross profit	**20,835**	**22,387**	**18,872**
Distribution expenses	(1,256)	(1,523)	(1,435)
Marketing expenses	(5,069)	(4,165)	(3,771)
Occupancy expenses	(1,049)	(1,534)	(1,928)
Corporate and administration	(5,847)	(6,616)	(8,162)
Finance costs	(1,013)	(1,529)	(1,122)
Share based payments	(1,215)	(243)	-
Other expenses	(4,134)	(6,119)	(5,149)
	(19,583)	(21,729)	(21,567)
	1,252	658	(2,695)
Change in fair value of investments	(617)	(330)	28
Re-estimation of Beacon put option	-	3,624	2,533
Other income	249	130	122
Share of net loss in associates	(48)	(244)	-
Impairment of loan receivable	-	(532)	(1,213)
Impairment of investment in associates	-	(245)	(117)
Profit/(loss) from continuing operations before income tax expense	**836**	**3,061**	**(1,342)**
Income tax benefit/(expense) relating to continuing operations	(1,094)	477	925
Profit/(Loss) from continuing operations	**(258)**	**3,538**	**(417)**
Profit/(Loss) attributable to:			
Net profit/(loss) attributable to non-controlling interest	-	1,029	699
Net profit/(loss) attributable to equity holders of the parent entity	(258)	2,509	(1,116)
Other comprehensive income/(loss)			
(Items that will be reclassified to profit and loss)			
Foreign currency translation differences for foreign operations	(516)	1,882	1,349
(Items that will not be reclassified to profit and loss)			
Net change in fair value of equity instruments measured at fair value through other comprehensive income	(880)	(810)	103
Income tax benefit/(expense) relating to other comprehensive income	314	57	(138)
Other comprehensive income/(loss) for the period (net of tax)	**(1,082)**	**1,129**	**1,314**
Total comprehensive income/(loss) for the period (net of tax)	**(1,340)**	**4,667**	**897**
Total comprehensive income for the period attributable to:			
Non-controlling interest	**-**	**806**	**787**
Owners of Aspermont Limited	**(1,340)**	**3,861**	**110**

6.4 Financial Position

Aspermont's audited Statements of Financial Position as at 30 June 2012, 2013 and 2014 are presented in the table below:

Consolidated Statement of Financial Position	30-Jun-12 Audited $000	30-Jun-13 Audited $000	30-Jun-14 Audited $000
Current assets			
Cash and cash equivalents	4,298	3,145	1,416
Trade and other Receivables	4,994	7,632	5,681
Financial Assets	525	175	7
Total current assets	**9,817**	**10,952**	**7,104**
Non-current assets			
Trade and other Receivables	32	436	-
Financial Assets	1,019	108	120
Investments accounted for using the equity method	238	83	-
Property Plant and equipment	363	356	248
Deferred tax assets	927	2,183	2,468
Intangible assets and goodwill	25,860	30,216	31,201
Total non-current assets	**28,439**	**33,382**	**34,037**
Total assets	**38,256**	**44,334**	**41,141**
Current liabilities			
Trade and other Payables	4,310	4,844	6,115
Income in advance	5,459	8,769	7,194
Borrowings	1,006	4,333	8,425
Income tax payable	519	925	343
Provisions	-	132	159
Total current liabilities	**11,294**	**19,003**	**22,236**
Non-current liabilities			
Income in advance	-	-	267
Borrowings	8,661	4,312	-
Deferred tax liability	2,700	2,931	3,207
Provisions	251	225	237
Other liabilities	-	7,111	5,000
Total non-current liabilities	**11,612**	**14,579**	**8,711**
Total liabilities	**22,906**	**33,582**	**30,947**
Net assets	**15,350**	**10,752**	**10,194**
Equity			
Issued Capital	49,292	49,292	49,292
Reserves	(7,941)	(13,698)	(10,168)
Accumulated losses	(26,001)	(24,193)	(28,091)
	15,350	**11,401**	**11,033**
Parent entity interest	15,350	11,401	11,033
Non-controlling interests	-	(649)	(839)
Total equity	**15,350**	**10,752**	**10,194**

6.5 Statement of Changes in Equity

Aspermont's Statement of Changes in Equity from 1 July 2012 to 30 June 2014 is presented in the table below.

Consolidated Statement of Changes in Equity	Issued Capital $000	Accumulated Losses $000	Other Reserves $000	Share Based Reserve $000	Currency Translation Reserve $000	Financial Assets Reserve $000	Sub-Total $000	Non-Controlling Interest $000	Total $000
Balance at 1 July 2012	**49,292**	**(26,001)**	**-**	**1,215**	**(6,664)**	**(2,492)**	**15,350**	**-**	**15,350**
Profit/(loss) for the year	-	2,031	-	-	-	-	2,031	1,508	3,539
Other comprehensive income									
Foreign currency translation for foreign operations	-	-	-	-	2,105	-	2,105	(223)	1,882
Financial assets reserve movement	-	-	-	-	-	(810)	(810)	-	(810)
Income tax relating to components of other comprehensive income	-	-	-	-	-	57	57	-	57
Total comprehensive income / (loss)	**-**	**2,031**	**-**	**-**	**2,105**	**(753)**	**3,383**	**1,285**	**4,668**
Transactions with owners in their capacity as owners									
Issue of share options	-	-	-	243	-	-	243	-	243
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	(2,290)	(2,290)
Gain on sale to non-controlling interest	-	-	1,901	-	-	-	1,901	-	1,901
Put and call option on non-controlling interest	-	-	(9,954)	-	-	-	(9,954)	-	(9,954)
Realised loss on equity investments transferred	-	(701)	-	-	-	701	-	-	-
Non-controlling interest contributed assets	-	-	-	-	-	-	-	835	835
Balance at 30 June 2013	**49,292**	**(24,671)**	**(8,053)**	**1,458**	**(4,559)**	**(2,544)**	**10,923**	**(170)**	**10,753**
Balance at 1 July 2013	**49,292**	**(24,671)**	**(8,053)**	**1,458**	**(4,559)**	**(2,544)**	**10,923**	**(170)**	**10,753**
Profit/(loss) for the year	-	(1,116)	-	-	-	-	(1,116)	699	(417)
Other comprehensive income									
Foreign currency translation for foreign operations	-	-	-	-	1,261	-	1,261	88	1,349
Realised loss on equity investments transferred	-	(2,304)	-	-	-	2,304	-	-	-
Financial assets reserve movement	-	-	-	-	-	103	103	-	103
Income tax relating to components of other comprehensive income	-	-	-	-	-	(138)	(138)	-	(138)
Total comprehensive Income	-	(3,420)	-	-	1,261	2,269	110	787	897
Transactions with owners in their capacity as owners									
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	(1,456)	(1,456)
Balance at 30 June 2014	**49,292**	**(28,091)**	**(8,053)**	**1,458**	**(3,298)**	**(275)**	**11,033**	**(839)**	**10,194**

6.6 Statements of Cash Flows

Aspermont's audited Statements of Cash Flows for the years ended 30 June 2012, 2013 2014 are presented in the table below:

Consolidated Statement of Cash Flows	Financial Year Ended 30-Jun-12 Audited $000	30-Jun-13 Audited $000	30-Jun-14 Audited $000
Cash flows from operating activities			
Cash receipts from customers	34,507	40,752	37,047
Cash payments to suppliers and employees	(28,506)	(36,967)	(35,708)
Interest and other costs of finance paid	(895)	(565)	(988)
Interest received	46	18	3
Income tax paid	(1,092)	(468)	(77)
Net cash provided by /(used in) operating activities	**4,060**	**2,770**	**277**
Cash flows from investing activities			
Payment for acquisition of subsidiary, net of cash acquired	(337)	538	-
(Payments)/proceeds for loans made	-	(230)	290
Payment for investments	(800)	(694)	(631)
Proceeds from sale of equity investments	204	173	404
Payment for plant and equipment	(65)	(50)	(54)
Payment for intangible assets	(222)	(222)	(290)
Net cash provided by /(used in) investing activities	**(1,220)**	**(485)**	**(281)**
Cash flows from financing activities			
Proceeds of borrowings	-	-	381
Repayment of borrowings	(1,285)	(1,302)	(794)
Dividends paid to non-controlling interest	-	(2,295)	(1,456)
Net cash provided by /(used in) financing activities	**(1,285)**	**(3,597)**	**(1,869)**
Net increase/(decrease) in cash held	1,555	(1,312)	(1,873)
Cash at beginning of the year	2,718	4,298	3,145
Effects of exchange rate changes on the balance of cash held in foreign currencies	25	159	144
Cash at end of the year	**4,298**	**3,145**	**1,416**

7. Valuation of the Aspermont Shares

7.1 Value Definition

DMR Corporate's valuation of Aspermont shares has been made on the basis of fair market value, defined as the price that could be realized in an open market over a reasonable period of time given the current market conditions and currently available information, assuming that potential buyers have full information, in a transaction between a willing but not anxious seller and a willing but not anxious buyer acting at arm's length.

7.2 Valuation Methodologies

In selecting appropriate valuation methodologies, we considered the applicability of a range of generally accepted valuation methodologies. These included:

- share price history;
- asset based methods;
- capitalisation of future maintainable earnings;
- net present value of future cash flows; and
- comparable market transactions.

7.3 Share Price History

The share price history valuation methodology values a company based on the past trading in its shares. We normally analyse the share prices up to a date immediately prior to the date when a takeover, merger or other significant transaction is announced to remove any price speculation or price escalations that may have occurred subsequent to the announcement of the proposed transaction.

Announcements to the ASX made by Aspermont since 1 January 2014 that may have had an impact on the market price and trading volumes of its shares include:

Aspermont's ASX Announcements

Date	Headline
19/02/2014	Director Appointment/Resignation
20/02/2014	Initial Director's Interest Notice
20/02/2014	Final Director's Interest Notice
20/02/2014	Final Director's Interest Notice
28/02/2014	Half Yearly Report and Accounts
28/02/2014	Half Yearly Report and Accounts
01/07/2014	Aspermont announces changes to the Board of Directors
02/07/2014	Final Director's Interest Notice
30/07/2014	Renounceable Issue
07/08/2014	Interim Update on Preliminary Results (subject to audit)
07/08/2014	Renounceable Issue
08/08/2014	Letter to Shareholders
08/08/2014	Investor Presentation
11/08/2014	Renounceable Issue
11/08/2014	Appendix 3B
15/08/2014	Investor Presentation
21/08/2014	Retraction Announcement
22/08/2014	Renounceable Issue - Timetable Revision
22/08/2014	Appendix 3B
22/08/2014	Renounceable Issue - Replacement Prospectus
25/08/2014	Despatch of Prospectus
29/08/2014	Extension of Offer Date
29/08/2014	Appendix 4E Summary
29/08/2014	Preliminary Final Report
03/09/2014	Revised Timetable - Renounceable Rights Issue
19/09/2014	Rights issue - announcement of under subscription
19/09/2014	Appendix 3B
24/09/2014	Aspermont announces addition to the board of Directors
25/09/2014	Change of Director's interest notice
25/09/2014	Initial Director's interest notice
30/09/2014	Full year statutory accounts
06/10/2014	Company Secretary/CFO Resignation
17/10/2014	Renounceable Issue
17/10/2014	Appendix 3B

A table of the volume and value of the Aspermont shares traded in approximately the last 12 month period is as follows:

Date	Share Price High $	Share Price Low $	Share Price Close $	Volume	Value $
21/09/2013	0.050	0.050	0.050	3,000	150
15/10/2013	0.050	0.050	0.050	10,000	500
04/11/2013	0.050	0.050	0.050	10,000	500
20/12/2013	0.049	0.049	0.049	50,000	2,450
10/03/2014	0.040	0.040	0.040	39,000	1,560
18/03/2014	0.049	0.049	0.049	11,000	539
10/04/2014	0.049	0.049	0.049	55,000	2,695
15/04/2014	0.040	0.040	0.040	5,313	213
19/06/2014	0.040	0.037	0.040	25,324	1,013
08/07/2014	0.052	0.052	0.052	15,000	780
10/07/2014	0.054	0.054	0.054	10,000	540
17/07/2014	0.056	0.056	0.056	20,000	1,120
08/08/2014	0.049	0.043	0.043	90,125	3,875
12/08/2014	0.040	0.040	0.040	21,800	872
19/08/2014	0.030	0.030	0.030	200,000	6,000
				565,562	22,807

As can be seen from the above table, only 565,562 shares were traded in a one year period. The shares traded represent only 0.24% of the shares on issue during that period and 0.13% of the shares presently on issue. The Aspermont shares are therefore illiquid.

The shares traded in a range of $0.030 to $0.056 per share, with a volume weighted average share price (based on closing prices) of $0.040 per share.

Based on the above analysis we consider that the Aspermont shares are valued in a range of $0.030 to $0.056 per share, on a minority interest basis (i.e. excluding a premium for control).

As discussed in Section 9 below, control premiums are generally in a range of 30% to 35%. If this level of control premiums were added to the minority values of $0.030 to $0.056 per share, the share price values, on a control basis would be:

Minority Value	30% Control Premium	35% Control Premium
$0.030	$0.039	$0.041
$0.056	$0.073	$0.076

After applying a typical level of control premium, the share price history values are in a range of $0.039 to $0.076 per share.

On 30 July 2014 Aspermont announced that it intended to raise up to $5 million of additional equity by a combination of:

i) a renounceable rights issue on the basis of one new fully paid share for each share held at a price of $0.01 per share;

ii) a follow-on private placement; and

iii) conversion of a minimum of $2 million of related party debt into equity.

The rights issue was priced at a discount of 79% to the volume weighted average 90 day share price. The rights issue closed on 16 September 2014 and raised $1,888,582, resulting in the issue of 188,858,197 shares.

There have been no trades in Aspermont shares on the ASX since the closure of the rights issue. As the right issue was priced at a very steep discount to the market values before the rights issue and as the rights issue resulted in a 79% increase in the number of shares on issue, we would expect any future trades in Aspermont shares to be at prices well below those achieved prior to the rights issue.

On 17 October 2014 Aspermont announced that the placement of under subscriptions arising from the rights issue closed, with all available shares taken up. This placement resulted in the issue of 49,852,296 shares at $0.01 per share, raising approximately $500,000.

Due to the very low value of shares traded ($22,807 over a one year period) and the impact of the recent rights issue, we have concluded that limited weight should be given to the results of the share price history valuation methodology.

7.4 Asset Based Methods

7.4.1 These methodologies are based on the realisable value of a company's identifiable net assets. Asset based valuation methodologies include:

(a) Net Assets

The net asset valuation methodology involves deriving the value of a company or business by reference to the value of its assets. This methodology is likely to be appropriate for a business whose value derives mainly from the underlying value of its assets rather than its earnings, such as property holding companies and investment businesses. The net assets on a going concern basis does not take account of realization costs.

(b) Orderly Realisation of Assets

The orderly realisation of assets method estimates the fair market value by determining the amount that would be distributed to shareholders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner.

(c) Liquidation of Assets

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes that the assets are sold in a short time frame.

7.4.2 Net Assets

The net assets of Aspermont as at 30 June 2014, per the audited final report, were approximately $10,194,000 or $0.024 per share and the net tangible assets were negative $0.049 per share.

The recently completed rights issue and subsequent placement raised approximately $2,350,000 (net of estimated capital raising costs of $40,000 as estimated at paragraph 8.7 of the entitlements issue prospectus dated 22 August 2014) and resulted in the issue of 238,710,493 shares. After incorporating the impact of the rights issue and placement, the pro forma net assets at 30 June 2014 were $12,581,000, or $0.026 per share, with the net tangible assets being negative $0.039 per share.

These values have been determined for financial reporting purposes using the Australian Accounting Standards, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the Act.

As Aspermont's net assets include goodwill at its historical purchase cost and software, mastheads and other intangible assets at their capitalized cost less amortization, the value of intangible assets may not reflect their market values.

Nevertheless as the intangible assets are subject to annual impairment testing, the net assets per share provide a guide as to the minimum value of the net assets.

7.4.3 Orderly Realisation of Assets / Liquidation of Assets

We have not completed a valuation of Aspermont based on the orderly realisation or the liquidation basis as we believe that these bases would understate the value of the Company's intangible assets, however we did consider the orderly realisation basis in estimating the values that could be extracted from the non-core investment assets held – refer Section 7.5 below.

7.5 Capitalization of Future Maintainable Earnings

7.5.1 Introduction to the Methodology

This methodology involves capitalizing the estimated future maintainable earnings of a business at a multiple which reflects the risks of the business and its ability to earn future profits.

There are different definitions of earnings to which a multiple can be applied. The traditional method is to use net profit after tax – Price Earnings or PE. Another common method is to use Earnings Before Interest and Tax, or EBIT. One advantage of using EBIT is that it enables a valuation to be determined which is independent of the financing and tax structure of the business. Different owners of the same business may have different funding strategies and these strategies should not alter the fundamental value of the business.

Other variations to EBIT include 'Earnings Before Interest, Tax, Depreciation and Amortization' – EBITDA and 'Earnings Before Interest, Tax, and Amortization' – EBITA.

Whilst Aspermont reported a loss for the year ended 30 June 2014, it was profitable during the previous financial year and Aspermont has advised that the loss reported for the 2014 financial year was largely due to one-off items or restructuring expenditure. We have therefore concluded that this methodology may be applicable.

We have selected EBITDA as the measure of earnings to be capitalised as this will facilitate the selection of a capitalisation multiple supported by appropriate market evidence.

A valuation based on capitalised EBITDA requires the following key assessments to be made:

- the level of future maintainable earnings; and
- the selection of an appropriate capitalisation rate (or multiple), which reflects the risks facing the business and the achievement of the expected future maintainable earnings.

7.5.2 Assessment of Maintainable Earnings

Aspermont has historically focussed its performance measurement on the Media business EBITDA prior to share option expenses ("Media EBITDA") as this best reflects the underlying cash generating and core operations of the business. Set out in the table below is a break-up of the contribution to Aspermont's Media EBITDA for the years ended 30 June 2012, 2013 and 2014 by the core business division as well as a reconciliation between the operating profit before tax as per the table at section 6.3 and Media EBITDA:

	Financial Year Ended		
	30-Jun-12	**30-Jun-13**	**30-Jun-14**
	Audited	**Audited**	**Audited**
	\$000	**\$000**	**\$000**
Profit/(loss) from continuing operations before income tax expense	**836**	**3,061**	**(1,342)**
Add back:			
Interest expense	1,013	1,529	1,122
Depreciation and amortisation	745	907	911
Share option expense	1,215	243	-
Change in fair value of investments	617	330	(28)
Impairment of loan receivable	-	532	1,213
Impairment of investment in associates	-	245	117
Share of net loss in associates	48	244	-
Operating expense for investment activities	-	435	12
Subtract:			
Re-estimation of Beacon put option liability	-	(3,624)	(2,533)
Interest income	(46)	(18)	(3)
Net profit attributable to non-controlling interest	-	(1,029)	(292)
Other Adjustments: Net Beacon addition to revenue	-	(1,981)	(464)
Media EBITDA excluding Beacon	**4,428**	**874**	**(1,287)**

As can be seen from the above table, Aspermont has generated a positive EBITDA in the years ended 30 June 2012 and 2013. However for the year ended 30 June 2014 Aspermont generated a negative Media EBITDA.

In addition to the historical results set out above, we also obtained Aspermont's budget for the 30 June 2015 financial year and discussed the budget and current operations with management. The budget information was received by us on a "commercial in confidence" basis and is not disclosed in this report.

After reviewing the available financial information, we have concluded that a valuation based on maintainable earnings can be applied to Aspermont. This is set out below.

7.5.3 Aspermont Media EBITDA– Maintainable Earnings

We noted that sales for the year ended 30 June 2014 were approximately 9.2% below sales for the preceding financial year. There was also a decline of approximately 4% in the gross profit margin.

Consistent with the decline in sales, operating expenses also declined although not to the same extent.

We have excluded from our calculation of Media EBITDA the net contribution made to EBITDA by the partly owned Beacon Events business. We have valued this interest separately below at 7.5.7.

The Directors have advised that the Media EBITDA has declined due to the high degree of fixed costs in the UK publishing business units (including foreign exchange pressure against the Australian dollar).

The above factors have combined to cause a decline in Media EBITDA from a profit of approximately $874,000 in the financial year ended 30 June 2013 to a loss of approximately $1.3 million in the financial year ended 30 June 2014.

Aspermont has continued to progress with a transformation process focusing on publishing with the centralisation of IT, production and aspects of marketing. This process, whilst impacting 30 June 2014 performance is expected to deliver long term efficiencies.

After allowing for $2.1 million of non-recurring costs (made up of $1.5 million in the Events business expansion and $600,000 in On-line products in Brazil as referred to in the Company's profit announcement for the year ended 30 June 2014) the normalised Media EBITDA for the year ended 30 June 2014 approximates $800,000.

As part of the transformation process a strategic review of the overall cost base and core product offerings to deliver more sustainable outcomes is also being conducted.

After reviewing the past trading, including recent monthly management accounts, as well as the 2015 budget we have assessed maintainable EBITDA to be in a range of $1.0 to $1.5 million.

In determining the level of maintainable earnings we have placed particular reliance on the historical performance of the business in the years ended 30 June 2012 and 2013. We have also reviewed and noted the 2015 budget.

7.5.4 Aspermont Media EBITDA – Capitalisation Multiple

The maintainable earnings determined in the preceding paragraph need to be capitalised at an appropriate capitalisation rate or multiple. An appropriate capitalisation rate is usually derived by observing the capitalisation rates at which listed entities trade, which are considered to be comparable to the company being valued.

Our enquiries revealed that the listed companies set out in the table below provide the most appropriate evidence of the underlying EBITDA multiples at which minority parcels of shares are traded.

Company	Country	Code	Market Cap $ million	Net Debt $ million	Enterprise Value $ million	EBITDA $ million	EBITDA Multiple
Adcorp Australia Limited	AUS	ASX:AAU	3.0	(7.1)	(4.1)	(1.9)	N/M
MGM Wireless Limited	AUS	ASX:MWR	10.7	(0.9)	9.8	1.1	8.91
Future PLC	UK	LSE:FUTR	50.7	14.2	64.9	4.8	13.52
Haynes Publishing Group PLC	UK	LSE:HYNS	48.2	3.2	51.4	9.5	5.41
The Mission Marketing Group PLC	UK	AIM:TMMG	57.4	13.4	70.8	12.9	5.49
Average							**8.33**
Median							**7.20**

As explained in Section 5, Regulatory Guide 111 requires that we assess the Proposed Transaction as if it was a takeover of Aspermont and we therefore need to use a control multiple. For this reason we recalculated the above multiples by uplifting the market capitalisation of each company by a control premium of 15% and 20% respectively (refer Section 9).

After considering the above information, we have discounted the Future PLC multiple as being unrealistically high.

We have concluded that a multiple (on a control basis) in a range of 6.5 to 7.0 is appropriate.

7.5.5 Enterprise Value

In Section 7.5.3 above we concluded that Aspermont has a future maintainable EBITDA in the range of $1.0 million to $1.5 million and in Section 7.5.4 above we concluded that Aspermont should be valued using an EBITDA multiple of 6.5 to 7.0.

Based on the above, we have assessed the enterprise value of Aspermont Media as follows:

	Low	High
Estimated future maintainable EBITDA	$1,000,000	$1,500,000
Multiple	6.50	7.00
Enterprise Value	$6,500,000	$10,500,000

7.5.6 Valuation Adjustments

The enterprise value must be increased by the value of surplus assets and reduced by the value of interest bearing debt in order to determine the value of Aspermont's equity under this methodology.

Surplus assets are those identified as being "surplus" to the needs of the business and which are not required for the business to generate its income.

Surplus Assets

As the enterprise value only reflects the earnings of Aspermont Media, we have made an assessment of the net assets that could be realised from a disposal of the investment assets and cash and cash equivalents held. We have therefore treated the net balance of these accounts as effectively surplus assets.

As can be seen from the Statement of Financial Position at Section 6.4, as at 30 June 2014 Aspermont had cash and cash equivalents of approximately $1,416,000 and current financial assets of approximately $7,000 and non-current financial assets of approximately $120,000. We have treated the sum of approximately $1,543,000 as representing surplus assets.

We also note that as a result of the recently completed rights issue and placement an additional 238,710,493 shares have been issued at $0.01 per share. After allowing for $40,000 in offer expenses we have also treated the sum of approximately $2,350,000, being the net of the amount raised after expenses, as a surplus asset.

In addition to the above surplus assets we have also treated the 60% owned Beacon business as a separate asset and valued it as a stand-alone business as outlined below:

7.5.7 Beacon - Assessment of Maintainable Earnings

	Financial Year Ended	
	30-Jun-13	30-Jun-14
	Unaudited	Unaudited
	$000	$000
Beacon EBITDA	**3,302**	**774**

The Beacon business is an Events business. The Directors have advised that it is expected that the appointment of a new CEO over the Events business will restore historical margins following underperformance by that business. It is expected that the Beacon business will improve as a consequence of the recent management changes from its 2014 results.

After reviewing the past trading as summarised above, the recent monthly management accounts and the 2015 budget, we have assessed maintainable EBITDA of Beacon to be in a range of $1.5 million to $1.75 million.

7.5.8 Beacon EBITDA – Capitalisation Multiple

The maintainable earnings determined in the preceding paragraph need to be capitalised at an appropriate capitalisation rate or multiple. An appropriate capitalisation rate is usually derived by observing the capitalisation rates at which listed entities trade, which are considered to be comparable to the company being valued.

In addition to the comparable companies considered in section 7.5.4 above, we have also considered the multiples at which the following companies that specialise in the staging of events are trading:

Company	Country	Code	Market Cap $ million	Net Debt $ million	Enterprise Value $ million	EBITDA $ million	EBITDA Multiple
Spar Group Inc	US/Canada	NasdaqCM: SGRP	39.20	2.00	41.20	4.70	8.77
reach4entertainment enterprises PLC	UK	AIM:R4E	7.40	24.10	31.50	4.90	6.43
Average							**7.60**
Median							**7.60**

After adjusting the above multiples to include a control premium in the range of 15% to 20%, and after adjusting the multiples for the smaller size of Beacon compared to the listed peer companies, we consider that Beacon can also be valued using an EBITDA multiple in a range of 6.5 to 7.0.

Based on the above, we have assessed the enterprise value of Beacon as follows:

	Low	**High**
Estimated future maintainable EBITDA	$1,500,000	$1,750,000
Multiple	6.50	7.0
Enterprise Value	$9,750,000	$12,250,000
Aspermont's 60% share	$5,850,000	$7,350,000

Borrowings

As can be seen from Section 6.4 of this report, as at 30 June 2014 Aspermont had current borrowings of $8,425,000 comprised of the following current liabilities:

	30-Jun-14 Unaudited $000
Finance lease liability	7
Secured loans from external parties	3,005
Loans from related parties	4,946
Payable for acquisition of WME	467
Total Current Borrowings	8,425

We have treated the sum of $8,425,000 as representing interest bearing debt.

Other Liabilities

A put and call option was entered into with the non-controlling shareholder of Beacon covering their 40% interest. We have reviewed a copy of the option deed and the calculation working papers supporting the estimated discounted future amount payable at the exercise date of this put and call option (adjusted for foreign currency) in the amount of $5 million. If the 40% shareholder of Beacon were to exercise the put option, Aspermont would be obliged to pay the balance of the purchase price, however it would then own a 100% interest in Beacon. As we have only reflected a 60% interest in Beacon in our assessment of surplus assets, we have not treated the option liability as interest bearing debt.

7.5.9 Equity Valuation

Based on this methodology the equity value of Aspermont is:

	Low $	High $
Enterprise Value	6,500,000	10,500,000
Surplus Assets: Cash and Financial Investments	1,543,000	1,543,000
Surplus Assets: Net proceeds of entitlement issue	2,350,000	2,350,000
Investment in Beacon	5,850,000	7,350,000
Net Debt	(8,425,000)	(8,425,000)
Equity Value	7,818,000	13,318,000

7.5.10 Conclusion

In our opinion, based on the capitalisation of earnings valuation methodology, the equity value of Aspermont is in a range of $7,818,000 to $13,318,000. As Aspermont has 477,420,986 shares on issue, this equates to a value in a range of $0.016 to $0.028 per share.

7.6 Net Present Value of Future Cash Flows

An analysis of the net present value of the projected cash flows of a business (or discounted cash flow technique) is based on the premise that the value of the business is the net present value of its future cash flows. This methodology requires an analysis of future cash flows, the capital structure, the costs of capital and an assessment of the residual value of the business remaining at the end of the forecast period.

Whilst Aspermont has prepared projected cash flows for the purpose of impairment testing, these cash flows are at a "high level" and are not supported by detailed assumptions. We have reviewed the projected cash flows and concluded that these are not suitable as a basis for valuing the Aspermont shares using the net present value of future cash flows methodology.

7.7 Comparable Market Transactions

Theoretically this is a sound valuation methodology as it is based on tangible evidence of other similar transactions (this is the methodology generally adopted in valuing real estate). We consider that this methodology is not an appropriate methodology to value the Aspermont shares as we have not identified any transactions that can be directly compared with Aspermont, however we utilised this methodology in arriving at the selected capitalisation multiples used to value the earnings of Aspermont Media.

7.8 Conclusion

The applicable valuation methodologies that we have considered are summarised as:

VALUATION METHODOLOGY	Section	Low Per Share	High Per Share
Share price history	7.3	$0.039	$0.076
Net Assets	7.4.2	$0.026	$0.026
Capitalisation of earnings	7.5.10	$0.016	$0.028

In our opinion, due to the limited trading in Aspermont shares and the impact of the recent rights issue and placement, the results of the share price valuation methodology should be disregarded.

The net asset value is based on the Company's accounting records and is also of limited utility in arriving at the value of Aspermont's shares. As such we have concluded that the results of the capitalisation of maintainable earnings should be preferred and we have concluded that the value of Aspermont shares is in a range of $0.016 to $0.028 per share.

8. Control Premium

A control premium represents the difference between the price that would have to be paid for a share to which a controlling interest attaches and the price at which a share which does not carry with it control of the company could be acquired. The actual control premium paid is transaction specific and depends on a range of factors, such as the level of synergies available to the purchaser, the level of competition for the assets and the strategic importance of the assets.

To determine the premium applicable to a controlling interest we have referred to the RSM Bird Cameron Control Premium Study 2013, summarised below.

		Control Premium 20 days Pre Announcement	
		Average	**Median**
Analysis by:	**Criteria**		
All transactions		35.30%	29.00%
Other		39.00%	27.70%
Consideration type	Scrip	29.90%	20.60%
Toehold prior to announcement	>20%	38.32%	30.56%
Size	< $25M	49.00%	42.90%

As Mr Kent currently controls 38.62% of Aspermont's voting power, we consider that he is already in effective control of Aspermont. After giving due consideration to Mr Kent's existing level of control and the information in the above table, we have concluded that a control premium in the range of 15% to 20% should be applied in the current circumstances of Aspermont. Whilst the level of control premium selected is below the usual range, we consider that it is realistic in circumstances where the major shareholders can move to above 50% over a relatively short period using the 3% creep provisions permitted pursuant to the Act.

9. Assessment as to Fairness

In Section 7.8 we assessed the value of the Aspermont shares on a control basis to be in a range of $0.016 to $0.028 per share. This represents our assessment of what we regard as being a fair price that a bidder seeking to acquire 100% ownership of Aspermont should offer.

The proposed transaction provides an opportunity for entities associated with Mr Andrew Kent to acquire Aspermont shares at price of $0.010 per share.

As the subscription price of $0.010 per share is less than our assessment of the value of the Aspermont shares on a control basis ($0.016 to $0.028 per share), we have concluded that the Proposed Transaction is **not fair**.

10. Other Significant Considerations

Prior to deciding whether to approve or reject the Proposed Transaction the Non-Associated Shareholders should also consider the following factors:

- In Section 9 above we concluded that the Proposed Transaction is not fair.
- In the assessment of fairness set out in Section 9 above we valued the Aspermont shares on a control basis. As Mr Andrew Kent and associated entities currently holds 38.62% of Aspermont's voting power, he already controls Aspermont and in these circumstances it can be argued that any new shares issued to Mr Kent should be valued on a minority interest basis. In order to provide guidance to shareholders, we estimate that the Aspermont shares after eliminating a control premium in a range of 15% to 20% would be valued in a range of $0.014 to $0.023 per share.
- Aspermont reported a loss for the financial year ended 30 June 2014 and it is in need of additional funding to sustain its operations and to further develop the business. Whilst the Proposed Transaction will not increase the amount of funding available to Aspermont as it merely capitalises existing debt, it will eliminate the interest cost of servicing this debt and associated borrowing costs and will reduce the Company's gearing.
- Aspermont has recently completed a rights issue offering shares to its existing shareholders on the same basis as it is offering the conversion of debt to equity under the Proposed Transaction. The rights issue was on a 1:1 basis and thus did not result in a dilution of the Non-Associated Shareholders unless they failed to take up their entitlements, however the Proposed Transaction will dilute the interests of all Non-Associated Shareholders.
- Aspermont is in the midst of undertaking a strategy to recapitalise the balance sheet. Part of this strategy is the recent completion of the rights issue, conversion of related party debt, which is the subject of the Proposed Transaction, and then the follow-on private placement. If Aspermont does not obtain approval for the Proposed Transaction, this may adversely impact its ability to complete a subsequent private placement on acceptable terms.
- As at 30 June 2014 Aspermont was in breach of its financial covenants with respect to its Australia and New Zealand Banking Corporation ("ANZ") external party loan ("facility"). The facility is secured by registered company charges and fixed and floating charges over the assets of Aspermont. The breach is in respect of its Debt to EBITDA ratio and also its minimum EBITDA on a year on year basis. We have been advised that following receipt of the rights issue proceeds Aspermont has cured the breach in the Debt to EBITDA ratio.

After reviewing the above significant factors we consider that **the Proposed Transaction is not fair but reasonable.**

11. Financial Services Guide

11.1 Financial Services Guide

This Financial Services Guide provides information to assist retail and wholesale investors in making a decision as to their use of the general financial product advice included in the above report.

11.2 DMR Corporate

DMR Corporate holds Australian Financial Services Licence No. 222050, authorizing it to provide general financial product advice in respect of securities to retail and wholesale investors.

11.3 Financial Services Offered by DMR Corporate

DMR Corporate prepares reports commissioned by a company or other entity ("Entity"). The reports prepared by DMR Corporate are provided by the Entity to its members.

All reports prepared by DMR Corporate include a description of the circumstances of the engagement and of DMR Corporate's independence of the Entity commissioning the report and other parties to the transactions.

DMR Corporate does not accept instructions from retail investors. DMR Corporate provides no financial services directly to retail investors and receives no remuneration from retail investors for financial services. DMR Corporate does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice to retail investors.

11.4 General Financial Product Advice

In the reports, DMR Corporate provides general financial product advice. This advice does not take into account the personal objectives, financial situation or needs of individual retail investors.

Investors should consider the appropriateness of a report having regard to their own objectives, financial situation and needs before acting on the advice in a report. Where the advice relates to the acquisition or possible acquisition of a financial product, an investor should also obtain a product disclosure statement relating to the financial product and consider that statement before making any decision about whether to acquire the financial product.

11.5 Independence

At the date of this report, none of DMR Corporate, Derek M Ryan nor Paul Lom has any interest in the outcome of the Proposed Transaction, nor any relationship with Aspermont, Messrs Andrew Kent and Charbel Nader and their associated entities.

Drafts of this report were provided to and discussed with the Aspermont board and its Chief Financial Officer. There were no alterations to the methodology, valuations or conclusions that have been formed by DMR Corporate.

DMR Corporate and its related entities do not have any shareholding in or other relationship with Aspermont that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the proposed acquisition.

DMR Corporate had no part in the formulation of the Proposed Transaction. Its only role has been the preparation of this report.

DMR Corporate considers itself to be independent in terms of Regulatory Guide 112 issued by ASIC on 30 March 2011.

11.6 Remuneration

DMR Corporate is entitled to receive a fee of $26,000 for the preparation of this report. With the exception of the above, DMR Corporate will not receive any other benefits, whether directly or indirectly, for or in connection with the making of this report.

Except for the fees referred to above, neither DMR Corporate, nor any of its directors, employees or associated entities receive any fees or other benefits, directly or indirectly, for or in connection with the provision of any report.

11.7 Complaints Process

As the holder of an Australian Financial Services Licence, DMR Corporate is required to have suitable compensation arrangements in place. In order to satisfy this requirement DMR Corporate holds a professional indemnity insurance policy that is compliant with the requirements of Section 912B of the Act.

DMR Corporate is also required to have a system for handling complaints from persons to whom DMR Corporate provides financial services. All complaints must be in writing and sent to DMR Corporate at the above address.

DMR Corporate will make every effort to resolve a complaint within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Financial Ombudsman Service Limited – GPO Box 3, Melbourne, Vic 3000.

Yours faithfully

DMR Corporate Pty Ltd

Paul Lom

Paul Lom
Director

Derek Ryan
Director

Appendix A

Aspermont Limited

Aspermont's Print and Online Publications and Events

Aspermont Print

Aspermont Print has an offering comprised of the following:

Mining Journal

Mining Journal is a mining industry weekly newspaper covering all aspects of the global mining industry, from grass-roots exploration, through financing and development, to production and marketing, published out of London.

Australia's Mining Monthly

Australia's Mining Monthly is a source of news and information on mines, mining companies and mining people and features many high-profile surveys and studies and reports on national and international mining issues and key technical trends.

Mining Magazine

Mining Magazine was founded in 1909 by the future US President Herbert Hoover. Published out of London, it provides detailed coverage of technical and operational aspects shaping the industry. The magazine is published 10 times per year.

GeoDrilling International

GeoDrilling International is the only global title on drilling. GeoDrilling International offers its readers specialised information on every aspect of drilling in soils and rocks. The magazine is published 10 times per year.

Australia's Mining Suppliers Guide

Australia's Mining Suppliers Guide is built around complimentary listings of the companies supplying products and services to all sectors of the Australian mining industry and is published annually.

PNG Report

PNG Report is a new specialist magazine providing news and analysis for the Papua New Guinea region, with a focus on the mining and energy sectors. It is published bi-monthly.

International Coal News Magazine

International Coal News magazine is Australia's only dedicated longwall mining magazine featuring many of the industry's high profile surveys and studies. It is published in March, June, September and November.

Australian Coal Suppliers Guide

Australian Coal Suppliers Guide is a comprehensive suppliers guide built around complimentary listings of the companies supplying products and services to all sectors of the Australian coal industry. This guide is published annually.

Resourcestocks

This publication delivers market information and industry insights to sophisticated investors - subscribers also have the option to receive a daily news bulletin of the day's trading highlights in mining stocks. This publication is produced 7 times a year.

Contractor

Contractor delivers business and technical coverage of the civil construction, earthmoving and infrastructure development sectors to the Australian marketplace. This publication is produced 11 times a year.

Cranes and Lifting Australia

This is a bi-monthly magazine that keeps its readers up to date with the latest developments in the cranes and lifting sector.

Australasian Construction Suppliers Guide, incorporating Crane and Lifting Equipment Suppliers

This publication is built around complimentary listings of the companies supplying products and services to all sectors of the Australasian construction and crane industries.

World Tunneling/Trenchless World

This is a new magazine for key decision-makers in the underground construction sector. It provides detailed coverage of all technical and operational aspects shaping the industries.

Australasian Oil and Gas Suppliers Guide

This publication is publication built around complimentary listings of the companies supplying products and services to all sectors of the Australian oil and gas industry.

WME

WME is an environment business magazine and been in publication since 1988. It covers waste, water, air, sustainable development and the environment business industries.

Inside Waste

Inside Waste magazine is a bi-monthly publication covering everything that matters to the waste industry - from collection techniques and new processing technologies through to the big picture policy drivers.

Farming Ahead

Farming Ahead is a monthly magazine covering farming related research, machinery reviews, workshop articles, rural market news, cropping and livestock.

Aspermont Online

Aspermont also has an on-line offering comprised of the following:

MiningNewsPremium.net (MNP)

Published online five days a week - three times daily at the website: www.miningnewspremium.net

MiningNews.net (MNN)

Published online five days a week -three times daily at the website: www.miningnews.net

Mining Journal

Is the online version of the leading weekly newspaper available at the website www.mining-journal.com

PNGIndustryNews.net (PNG)

Is a regional resources news service specialising in PNG and neighbouring countries in the Asia/Pacific rim published online three days a week (Monday, Wednesday & Friday) at the website: www.pngindustrynews.net

SearchMining.net

Is a search engine created specifically for the mining industry and can be found at the website: www.searchmining.net

Notícias de Mineração Brasil (Mining News Brazil)

Is a product from Aspermont providing up-to-date information on the Brazilian mining sector. Published online five days a week at Website www.noticiasdemineracao.com

International Coal News (ICN)

Provides longwall miners and equipment suppliers with news and information. Published five days a week at: www.internationalcoalnews.com

EnergyNewsPremium.net (ENP)

Is a service designed to provide an in-depth look into Australasia's energy industry, with a focus on the rapidly growing petroleum sector. Published five days a week at the website:www.energynewspremium.net

EnergyNewsBulletin.net

Is an oil and gas website, containing daily news reports. Published five days a week at the website: www.EnergyNewsBulletin.net

SearchPetroleum.net

Is a search engine created specifically for the oil and gas industry. By dedicating the search engine to a specific industry Aspermont provides advertisers with an opportunity to put their company in front of a highly targeted audience. The website is at www.searchpetroleum.net

ConstructionIndustryNews.net (CIN)

CIN delivers manufacturer/supplier news from Australia and around the world, together with archived industry reference material. CIN can be found at www.searchconstruction.net

Business Environment Network (BEN)

BEN is the umbrella for a suite of channels targeting sustainable business, the waste sector and water sensitive cities. This service publishes two e-newsletters per week (targeted to the waste and business sectors) and is located at www.ben-global.com

Farmingahead.com.au

Online version of the print publication available via a dedicated website and e-newsletter published three days a week. The website also features online research archives, a bookstore, and information on relevant training courses.

Conferences / Events

Aspermont runs a number of key industry conferences out of its Sydney and Hong Kong Offices. These headline events are detailed below:

Mines and Money

The Mines and Money brand delivers mining investment events, bringing global mining and finance together.

Mines and Money holds some of the premier international industry events in London, Hong Kong, Beijing and Sydney. The events attract a large international audience of mining and exploration companies, financiers and investors, and service providers to the industry.

Resourceful Events

Resourceful Events, a division of Aspermont, specialises in designing and managing high-quality events that help to foster business relationships that generate new business specialising in (but not restricted to) the resources sector both in Australia and internationally.

Appendix B

Aspermont Limited

Sources of Information

The following sources of information have been utilised and relied upon, without independent verification, in the course of preparing this report:

- Audited financial statements of Aspermont Limited for the financial year ended 30 June 2013 and the Appendix 4E: Preliminary Final report for the 12 months ended 30 June 2014;
- Loan Agreements between Aspermont and related parties;
- The Notice of General Meeting and the Explanatory Memorandum which this report accompanies;
- Aspermont's impairment testing calculations;
- Aspermont's Option Deed dated 16 July 2012 regarding put and call option over remaining 40% equity in Beacon;
- Aspermont's put-call option liability calculations;
- Aspermont's top 20 shareholder report as at 20 October 2014;
- Aspermont's ASX releases since 1 January 2014;
- Share price and volume details from Capital IQ;
- Information on comparable companies sourced from Capital IQ and the ASX web site:
- Background information on the Aspermont Limited web site;
- Summary of Aspermont Limited's budget for the 2015 financial year; and
- Discussions with a Director and CFO / Company Secretary.

Appendix C

Declarations, Qualifications and Consents

1. Declarations

This report has been prepared at the request of the Directors of Aspermont pursuant to Section 611 of the Act to accompany the notice of meeting of shareholders to approve the Proposed Transaction. It is not intended that this report should serve any purpose other than as an expression of our opinion as to whether or not the Proposed Transaction is fair and reasonable for the Aspermont shareholders.

This report has also been prepared in accordance with the Accounting Professional and Ethical Standards Board professional standard APES 225 – Valuation Services.

The procedures that we performed and the enquiries that we made in the course of the preparation of this report do not include verification work nor constitute an audit in accordance with Australian Auditing Standards.

2. Qualifications

Mr Derek M Ryan and Mr Paul Lom, directors of DMR Corporate prepared this report. They have been responsible for the preparation of many expert reports and are involved in the provision of advice in respect of valuations, takeovers and capital reconstructions and reporting on all aspects thereof.

Mr Ryan has had over 40 years experience in the accounting profession and he is a Fellow of the Institute of Chartered Accountants in Australia. He has been responsible for the preparation of many expert reports and is involved in the provision of advice in respect of valuations, takeovers and capital reconstructions and reporting on all aspects thereof.

Mr Lom is a Chartered Accountant and a Registered Company Auditor with more than 35 years experience in the accounting profession. He was a partner of KPMG and Touche Ross between 1989 and 1996, specialising in audit. He has extensive experience in business acquisitions, business valuations and privatisations in Australia and Europe.

3. Consent

DMR Corporate consents to the inclusion of this report in its current form and context in the Aspermont Explanatory Statement.

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