Aspermont

Information for Industry

2010 ANNUAL REPORT

Your global print, online and conferencing solution

CONTENTS

Directors

Andrew Kent
John Stark
Lewis Cross
Colm O'Brien
David Nizol
Charbel Nader

Group Chief Executive Officer

Colm O'Brien

Chief Financial Officer and Company Secretary

John Detwiler

Chief Executive Officer, Aspermont UK

David Nizol

Chief Operating Officer

Chris Bond

Group Strategy and Consulting

Mark Davies

Website

www.aspermont.com

Registered Office

613-619 Wellington Street
Perth WA 6000
Telephone: + 61 8 6263 9100
Facsimile: + 61 8 6263 9148

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street, Perth WA 6000

Auditors

BDO Audit (WA) Pty Ltd
38 Station Street, Subiaco WA 6008

Share Registry

Advanced Share Registry Services
150 Stirling Hwy, Nedlands WA 6009
Telephone: + 61 8 9389 8033
Facsimile: + 61 8 9389 7871

Bankers

ANZ Banking Group Limited
7/77 St Georges Terrace, Perth WA 6000

Australian Securities Exchange Limited

ASX Code: ASP

CHAIRMAN'S REVIEW

Dear Shareholders,

As we are all well aware, years of focused expansion through acquisitions and aggressive direct product/solution investments was caught by the global economic hiatus.

Common sense dictated and your company followed a path of judicious consolidation during the past 12 months.

This resulted in a 7% dip in revenue, 100% improvement in group EBITA and a rise of approximately 200% in declared profits.

Capital profits were again strong. All of which helped reduce bank debt by more than 30%.

During 2010-11, Aspermont will return to its strong revenue path and better margins with modest investment, as the group continues to reap the benefits of what it has built.

Significant flexibility will return to the business as strong cash flows and profits will populate its books. This step will give greater breadth to settle long-term relationships for the global media company which has a buoyant eye for further publishing investments.

Management during this time has shown itself to be highly collaborative, innovative, entrepreneurial, passionate and responsible; a very useful combination when considering approximately half the business sits in both hemispheres.

These skill sets were put to good use both domestically in managing the overall Group and when drawing profits from our sterling revenues at a time when there has been a famine in sterling that has lasted more than three years.

The financial year has involved significant position changes, including the appointment of Mr Ron Berryman following the very sad departure of Mr Greg Tubby who, after years of outstanding service, was appointed in Perth as Managing Editor after the departure of long-serving Mr John Feary. Mr Tubby passed away on Christmas Day while taking a long-deserved holiday in Thailand with his wife and children. We will miss him.

Aspermont has never lost sight of what it takes to make a fair fist of being a profitable global media company during times of massive pattern change as the emerging world overtakes the developed countries, with expanding production, large capital investment, under-rated currencies and without the problems of the maturing workforce as in the developed world.

On the other hand, the developed countries' response is to restrain immigration and direct stimulus via a fragile banking system or lesser untested routes.

We turn to the seismic readings in the world of media which has never been so unsurely managed by the giants of the sector.

For these, and many others reasons, your board saw fit to deliver Aspermont decision-making greater depth, wisdom and flexibility.

As a consequence where there were three directors there are now six, a very sound consultant (Ian Elliot) and a new Company Secretary.

I wish us well.

Aspermont is dedicated to building its brands and portfolio of assets. Your company will continue to vertically integrate our articulated commercial objectives.

We enjoy and work hard for our joint ventures and partnerships, and try to make wise investments.

Yours sincerely,

Andrew Kent
Executive Chairman
Aspermont Limited

BOARD OF DIRECTORS

Structure of the Board

The Board currently comprises of six members. Board members possess a broad range of industry experience and business skills to appropriately govern the interests of our shareholders. The Board continues to actively guide the ongoing growth strategy of the Company. The Board actively involves, as appropriate, expert and independent advice on matters reserved for the Remuneration and Audit & Risk Committees.

Andrew Kent | Chairman and Executive Director

Mr Andrew Kent, chairman and executive director, is an experienced business manager and corporate advisor with more than 40 years experience in international equities and media. Mr Kent was the CEO of Aspermont from 2000 to 2005 and holds considerable knowledge of its products and the market landscape. Mr Kent holds directorships in Magyar Mining and Water Resources Group. He is a member of the Australian Institute of Company Directors.

Lewis Cross | Non-Executive Director

Mr Lewis Cross, an independent non-executive director, is a former principal of the accounting firm CrossCorp Accounting. Mr Cross is a Certified Practising Accountant, a Fellow of the Institute of Company Directors and holds a Bachelor of Business degree. He is executive chairman of White Canyon Uranium Ltd and non-executive chairman of Golden State Resources. Mr Cross is chairman of the Audit & Risk Committee.

John Stark | Non-Executive Director

Mr John Stark, a non-executive director, is an experienced business manager with experience and interests across various listed and unlisted companies. He is a member of the Australian Institute of Company Directors. Mr Stark is chairman of the Remuneration Committee.

Colm O'Brien | Executive Director

Mr Colm O'Brien has led Aspermont Limited since 2005 and as the Group CEO brings key executive experience to the Board. In addition to the deep knowledge from his time at Aspermont, Mr O'Brien brings a background in management consulting and banking to the Board through his previous roles with Andersen Consulting and Barclays Bank. Mr O'Brien currently sits on numerous boards within the Aspermont Group of companies and recently was elected to the Board of Directors of Publishers Australia, the peak body representing a broad range of media interests nationally.
Mr O'Brien joined the Board as an executive director.

David Nizol | Executive Director

Mr David Nizol has led Mining Communications Limited to be a successful, profitable and globally recognised business through the key brands of *Mining Journal* and the *Mines & Money* Conferences, now part of the *Aspermont* Group. He has a wealth of publishing experience including senior executive positions at EMAP UK and Highbury House Communications Limited.

Mr Nizol will also provide key representation for the directors in respect of Aspermont's UK business interests, and joined the Board as an executive director.

Charbel Nader | Non-Executive Director

Mr Charbel Nader has extensive experience in corporate finance and strategic advisory roles, including experience in mergers and acquisitions. He is executive director of Pitt Capital Partners.

The former managing director of McHudson Corporate has a broad range of executive and advisory experience in the information communications and media industries having been a group executive with Village Roadshow Ltd, News Corp subsidiary e-Ventures, Ernst & Young and having been retained in-house by PBL/Nine Network and CPH Capital.

Mr Nader is chairman of Metro Media Holdings Pty Ltd (publisher of *The Weekly Review*). He is a non-executive director of Aspermont.

John Detwiler | Company Secretary and Chief Financial Officer

Mr John Detwiler is a Certified Practising Accountant with more than 25 years of financial and corporate accounting experience at private and listed international companies, including PricewaterhouseCoopers. He has worked in the Middle East, the United Kingdom, Silicon Valley and Australia across a variety of industries, including oil and gas, financial services, high-tech manufacturing, software development and industrial services. Mr Detwiler brings strong operational, international and strategic skills to the Company. He has a Bachelor of Business Administration and is a member of the American Institute of CPAs and Financial Executive International.

YEAR IN REVIEW

The business returned to a profitable state without taking into consideration one-off or development cost add-backs with a NPAT turnaround of $A1.6 million.

Our primary debt position reduced by 31% from $A11 million to $A7.5 million.

Net assets increased year on year by 17% from $A19.3 million to $A22.5 million.

Staged the largest-ever *Mines and Money Hong Kong* exhibition, with a 65% increase in revenue from the previous year.

Realigned our conference offering in Australia, through divesting from our interest in Tonkin Corporation to concentrate on expanding the Resourceful Events brands.

Launched the inaugural *Mines and Money Beijing* with a profitable outcome.

Australian operations saw a 56% increase in clients purchasing more than one product.

Won an Association of Mining and Exploration Companies (AMEC) Print Journalism award for “Searching for the Next Elephant”, by Ron Berryman, *RESOURCESTOCKS* July 2009.

Appointed a new editorial leadership team, further strengthening Aspermont’s editorial knowledge base, experience and direction.

Launched Aspermont Marketing Services due to client demand for a full end-to-end media marketing service.

Increased our focus on educating clients with events such as the *Mining in a Day* seminars and specialised workshops held during our industry conferences.

GROUP CEO'S REPORT

Dear Fellow Shareholders,

I am pleased to report on the Group's results for the year ending 30 June 2010.

Fiscal year 2009-2010 has emerged as a very positive year for the company. Given the impacts of the downturn in the previous year and the trickle-through effect on this year, the Group results demonstrate the sound financial management of the business and its numerous products.

While overall revenue was down year on year given the impact on forward bookings made during the downturn, it is very pleasing to see that we have returned a higher gross profit margin of 65% compared with 58% last year.

We have also further reduced our primary debt year on year from $A11 million to $A7.5 million in line with a planned debt reduction program implemented 12 months ago. This debt reduction will continue through financial year 2010-11.

At the operational level the integration between the UK and Australian operations has gathered pace, particularly with cross sales and operational functions. This includes promotion of events, print, advertising and implementation of group subscription offers.

The strong Australian dollar has had a significant impact on our key figures given that circa 50% of our operations are based out of the UK, therefore any eventual strengthening of the sterling will have an immediate positive impact.

Key high-growth areas emerging are the events and online aspects of the business. These remain high-margin products and we have increased our offering to the market particularly in the events space. The stable of print products continues to grow, notwithstanding market trends on the future of print products.

With the first quarter of this financial year nearing completion, our overall position is ahead of budget, with a positive uplift in forward bookings across all our product channels. New product launches are being considered for implementation given the positive start to the year.

Our new products and services will continue to be of high margin and leverage existing resources rather than adding new fixed costs to the operations.

Although a final dividend has not been declared this year the directors will be considering a dividend in due course.

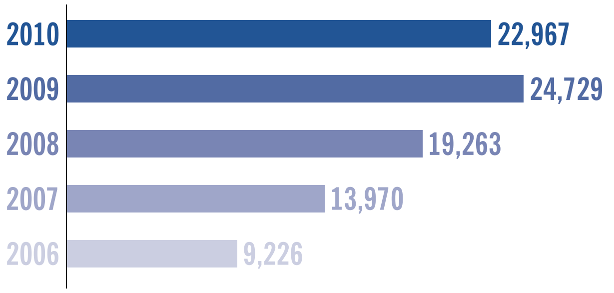
It remains for me to sincerely thank our staff, shareholders and customers for their ongoing support of the Aspermont Group.

Yours sincerely,

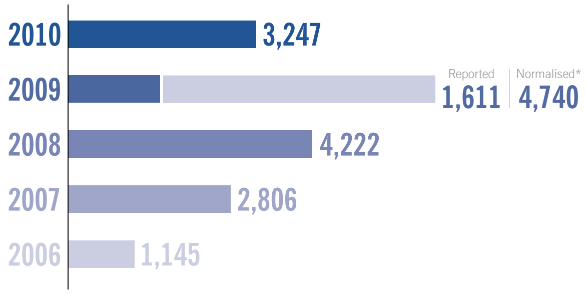
Colm O'Brien
Group Chief Executive Officer
Aspermont Limited

FINANCIAL HIGHLIGHTS

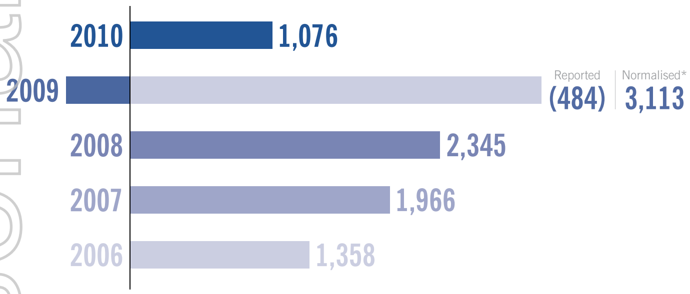
Operating Revenue
($000)



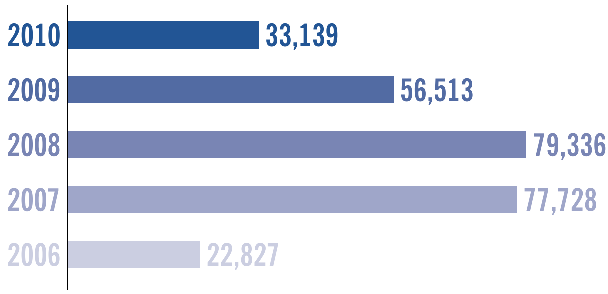
EBITDA
($000)



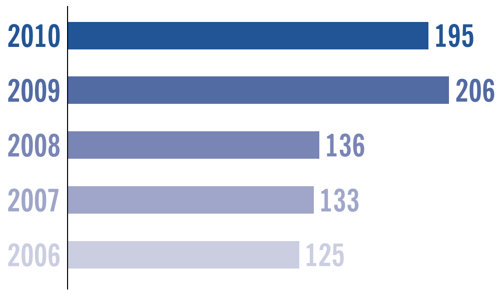
Net Profit
After Tax ($000)



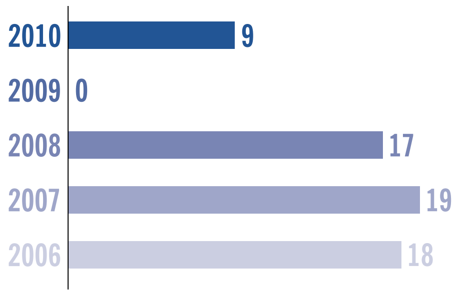
Market Capitalisation
($000)



Operating Revenue
Per Employee ($000)



Net Profit
After Tax Per Employee ($000)



*Adjusted for non-recurring items

LONDON REPORT

Dear Fellow Shareholders,

It has been a year of further consolidation, of championing our core offerings, of creating new opportunities and, as always, focusing on business efficiency ratios.

Revenues were pretty much on a par with 2008-09. Advertising revenue was down 2.5% on last year, and circulation revenue was down 11.1%, reflecting the rationalisation that has been taking place in the global mining sector.

The event-based revenue continued to grow by £0.126 million (6.5%) year on year. We staged a very successful *Mines and Money Hong Kong* event, and the inaugural *Mines and Money Beijing* in June 2010 was extremely well received.

Mining Magazine Congress, in Niagara-on-the-Lake in Ontario last November, was equally successful (this November we move to Perth with a bigger event), and the *Mining, People and the Environment* seminar in Toronto in March exceeded expectations. Both were also a first.

Our ongoing focus on cost management ensured every operational department came in below its budgeted cost level. In total £0.198 million (4.8%) of the planned cost base was returned to the bottom line.

Costs at £3.897 million were equal to those in 2005-06, while revenues were 25.7% ahead of 2005-06.

As a result, margin increased from 19.2% in 2008-09 to 22.9%, and EBITDA grew by 19.2% year on year.

Our focus remains both universal and specific: online revenue and circulation enhancement are key areas for concentration, as are growth opportunities in North America and Canada.

The year has started well, with Aspermont UK comfortably ahead of the first quarter budget. Our single-largest event, *Mines & Money London* (December 2010), is currently ahead of budget.

Yours sincerely,

David Nizol
Chief Executive Officer
Aspermont UK

COMPANY PROFILE

Aspermont Limited is a global provider of integrated media solutions for the Business to Business (B2B) and Business to Consumer (B2C) markets, delivered through print, online and conference channels.

These are accompanied by a suite of value-added services, including industry-specific search engines, archives and directories, graphic design capability and customised marketing and research services.

Aspermont is dedicated to providing readers with objective, analytical news and information, while offering advertising clients end-to-end, targeted marketing solutions. Our clients include decision-makers and high-income individuals across a diverse range of markets and industry sectors, including:

- Mining
- Oil and gas
- Construction
- Agriculture
- Finance
- Investment
- Biotechnology
- Transport
- Superannuation
- Environment
- Lifestyle

Integrated Multi-Media B2B and B2C Proposition

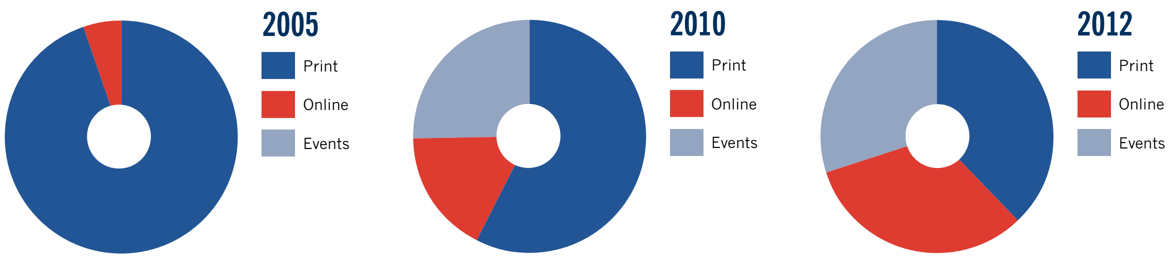
Consumers rely on print media for awareness of products and services, research online using trustworthy sources and purchase face to face.

The group has a significant global presence, directly employing circa 120 people across offices in Australia, the UK and America. Aspermont continues to expand its business and look for growth opportunities across both industries and geographies.

Recent research has suggested that consumers rely on print media for awareness of products and services, research online using trustworthy sources and purchase face to face.

This concept is core to Aspermont's strategy. Our ability to bundle these products for advertisers and readers ensures we remain unique in our product offering and continue to see revenue growth in all channels.

Group Revenue by Channel



Aspermont Presence (Products or Offices)

CHANNELS AND SERVICES

Print

Aspermont produces 13 print publications, distributing an average of 165,000 issues per month. Our print products provide comprehensive and up-to-date information, reviews and surveys.

Our established products, including *Mining Journal, Australia's Mining Monthly* and *RESOURCESTOCKS,* are acknowledged as leaders in their sectors and have provided a unique platform for the launch of new publications and events.

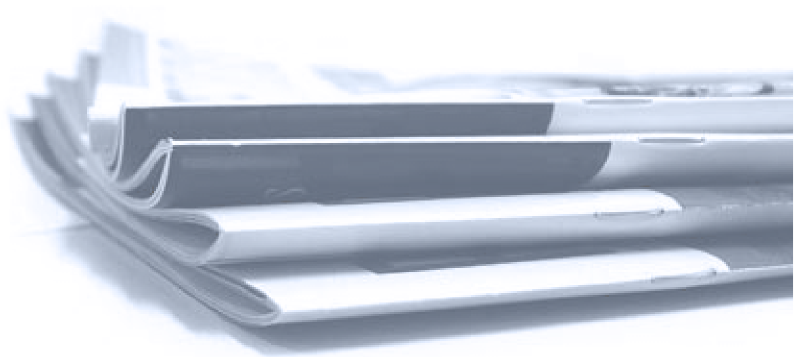
The company continues to grow its print revenue by adding maps, supplements, directories and CDs to its existing range.

Mining Journal
Australia's Mining Monthly
Mining Magazine
Mining, People and the Environment
GeoDrilling International
国际采矿概览 International China Mining Review
insidewaste
Australian Longwall Magazine
Coal USA Magazine
RESOURCESTOCKS
Contractor
Cranes and Lifting
World Tunnelling

Suppliers Guides

Aspermont also prints five annual Suppliers Guides for the mining, coal, oil and gas, and construction industries. As valuable industry reference tools, the Suppliers Guides also offer a cost-effective advertising opportunity.

Australia's Mining Suppliers Guide
Australian Construction Suppliers Guide
Australasian Oil & Gas Suppliers Guide
Australasian Crane Suppliers Guide
Australian Coal Suppliers Guide



Online

Aspermont produces 12 online news services, delivering an average of two million email bulletins direct to readers' desktops every month.

The services are renowned for their news presentation, quality and scope of reporting.

Aspermont's online business has experienced strong growth, due to increased demand for timely and relevant information, as well as growing recognition among advertisers of the power of online advertising.

Industry Specific Search Engines

In addition, Aspermont has a suite of vertical search engines that correlate directly with its key industry sectors: *SearchMining.net, SearchPetroleum.net* and *SearchConstruction.net.*

The engines offer users fast and accurate industry search analyses, while connecting advertisers with a highly targeted and captive online audience.

CHANNELS AND SERVICES

Conferencing

Conferencing is the fastest growing division of Aspermont. The company manages more than 20 conferences and seminars around the globe each year.

Excellence in Oil and *Gas* and *Excellence in Mining* are now in their fifth and sixth year respectively, and continue to be recognised as Sydney's leading resource investment conferences.

The *20:20 Investor Series* are free, half-day seminars aimed at bringing industry and investment together. Focusing on a specific commodity or region, these events are held bi-monthly in the heart of Sydney.

The *Mining Magazine Congress* is an annual two-day conference, where senior managers and suppliers in the mining industry come together to discuss new ideas for more efficient mine production. Following a highly successful launch in Niagara, Canada in 2009, the event is moving to Perth, Western Australia in November 2010.

The *GeoDrilling Show,* incorporating the *Trenchless Construction Show,* is a free, two-day conference and exhibition presenting key equipment services and technology for the ground drilling, geotechnical, piling and geothermal industries. *GeoDrilling* has been held annually in the UK since 2005.

excellence IN MINING & EXPLORATION

excellence IN OIL AND GAS

20:20 INVESTOR SERIES

Mining Journal Investor Seminars www.investor-seminars.com

Mining Magazine Congress

GeoDrilling

Mines and Money

Mines and Money is Aspermont's leading conference brand. Currently held annually in Beijing, Hong Kong and London, the events attract a large international audience of mining and exploration companies, financiers, investors and industry service providers.

minesandmoney

Aspermont Marketing Services

Aspermont Marketing Services, a division of Aspermont Limited, provides a suite of marketing services to its clients.

Born out of the requirements of Aspermont's publishing clients, AMS now exists as a separate service unit, providing marketing, graphic design, and market research services and advice to existing and new clients in the mining, oil and gas, construction and transport and other industry sectors, including B2C.

The team's unrivalled experience and analytics skills support clients in making better informed decisions, taking business opportunities and managing strategic operations.

The services include:

- Advertising campaigns
- Online marketing
- Market research
- Marketing strategies/plans
- Direct mail
- Events management
- Graphic design
- Corporate merchandising
- Contract publishing
- Media release and technical writing

To view Aspermont's complete range of products and services, please visit our website www.aspermont.com

OUTLOOK FOR 2010-11

Trish Seeney | General Manager, Australia (joined August 2010)

The coming year offers exciting opportunities to continue to grow and extend our existing business platform and to pursue new projects, ensuring that we are at the forefront of information provision. We have a dedicated and experienced team and investment in new technologies and marketing resources will also increase our advertiser, reader and subscriber base during 2010-11.

Mark Davies | Group Strategy & Consulting

Increased focus on internal process improvement and product delivery during the past 12-18 months has provided significant, and importantly, sustainable efficiency across the Group and therefore a solid platform from which the Company can fully maximise improved future conditions.

Chris Bond | Chief Operating Officer
(currently seconded to Kondinin Information Services)

Our capable and dedicated team embraced the year and again succeeded in their quest to continually improve and develop our suite of renowned world-class products. The depth and quality of our independent journalism continues to underpin the commercial success, all supported by the equally important areas of sales, information technology, marketing, production, administration and finance.

Gareth Hector | Advertisement Sales & Subscriptions Director, UK

Greater integration of the Perth and UK Offices has enabled us to pursue a more proactive subscription strategy, incorporating potential that is already held within the Aspermont Group database. Improvements in our online offerings and marketing will also increase subscription revenue in 2010-11.

Mark Ranson | National Advertising & Sales Manager, Australia

Over the next 12 months, we will continue to focus on offering packages that meet our clients' needs for a print, online, and face-to-face solution. We will leverage recent improvements in sales efficiencies and processes, and aim to consistently meet and over-achieve our targets while taking advantage of new opportunities in the Group.

Chris Hinde | Editorial Director, UK

Mining Journal recently celebrated its 175th anniversary, demonstrating our long-term commitment to the sector. Over the years, we have also established many other publications as leaders within their individual markets.

Our titles will be revitalised in 2010-11, with redesigned print versions, and an increased emphasis on delivery of a faster electronic service.

Jackie Richmond | Marketing Manager, Australia

We look forward to providing clients with a complete range of media services through the utilisation of our recently launched Aspermont Marketing Services division. Designing customised above and below the line media campaigns will ensure increased value, satisfaction and results for our clients.

Pablo Martin | Event Sales Director, UK

The outlook for 2010-11 is positive, with plenty of room for organic growth. Our new Chinese offering, *Mines and Money Beijing,* has huge potential for the future and will help create a footprint for Aspermont in the biggest growing economy in the world.

Our team has plenty of scope to continue launching new events while growing the current successful portfolio.

Ron Berryman | Managing Editor, Australia

The next 12 months promises to be a period of strong growth for both online and print products. Highlights will include the launch of a premium energy news product, an early commodity update from *MiningNews.net,* and *RESOURCESTOCKS* moving to eight editions in 2011. An injection of new, exciting talent into the editorial department will enable Aspermont to strengthen its position as a global leader in B2B and B2C publications.

ASSOCIATED COMPANIES

WME Media

WME Media is Australia's leading environmental publisher in Australia, providing coverage of environmental news, events and issues.

Aspermont's partnership with WME has enabled the companies to pursue new market opportunities in this rapidly growing sector. These include the launch of the *Excellence in Industrial Water* conference in Sydney and *Licence to Operate* (*LTO*), a supplement produced twice a year that focuses on environmental best practice in mining.

WME is 30%-owned by Aspermont.

www.wme.com.au

Kondinin Group

Established in 1955, Kondinin Group has grown to become Australia's leading agriculture information provider and independent farm improvement group.

Kondinin publishes *Farming Ahead* magazine and provides training, consulting and contract publishing services. The Kondinin Group has recently merged with the Grain Growers Association, which is also a shareholder of Kondinin Information Services. This significant step will greatly increase market representation and increase membership access to more than 30,000.

Aspermont is purchasing 50% of Kondinin Information Services through a working capital investment program.

www.kondinin.com.au

Corporate Intelligence and Communications (CIC)

CIC was incorporated in 2007 to provide corporate services to Aspermont's business partners and the broader market.

The scope of CIC's business includes corporate advisory, public relations and marketing.

www.corporateic.com

Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Aspermont Limited and the entities it controlled at the end of, or during, the year ended 30 June 2010.

Directors

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

A.L. Kent
J. Stark
L.G. Cross
C. O'Brien (appointed on 29 January 2010)
D. Nizol (appointed on 29 January 2010)
C. Nader (appointed on 29 January 2010)

Principal activities

The Group's principal activities during the year were to develop and grow its various industry-leading mastheads through a combination of print, online and conference media channels.

Operating results

The consolidated operating profit after tax was $1.076 million (2009: loss $0.484 million).

Dividends

No dividend has been declared for the year (2009: no dividend).

Review of operations

Fiscal year 2009-10 has emerged as a very positive year for the Company. Given the impact of the downturn in the previous year and the trickle-through effect on this year, the Group results demonstrate the sound financial management of the business and its numerous products. While overall revenue was down year on year because of the impact on forward bookings during the downturn, it is very pleasing to see that we have returned a higher gross profit margin of 65% compared with 58% last year.

We have also further reduced our primary debt year on year from A$11 million to A$7.5 million in line with a planned debt reduction program implemented 12 months ago. This debt reduction will continue through FY2010-11.

At the operational level the integration between the UK and Australian operations has gathered pace, particularly with cross sales and operational functions. This includes promotion of events, print, advertising and implementation of group subscription offers.

The strong Australian dollar has had a significant impact on our key figures, given that circa 50% of our operations are based in the UK; therefore any eventual strengthening of the sterling will have an immediate positive impact.

Key high-growth areas emerging are the events and online aspects of the business. These remain high-margin products and we have increased our offering to the market, particularly in the events space. The stable of print products continues to grow, notwithstanding market trends on the future of print products.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

See note 24 of the Financial Report regarding events subsequent to 30 June 2010. No other matter or circumstance has arisen since 30 June 2010 that has significantly affected, or may significantly affect:

(a) The Group's operations in future financial years, or
(b) The result of those operations in future financial years, or
(c) The Group's state of affairs in future financial years.

Likely developments and expected results of operations

Further information on likely developments in the operations of the Group and the expected results of operations have not been included in this annual financial report because the directors believe it would be likely to result in unreasonable prejudice to the Group.

Environmental regulations

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

Information on directors

A.L. Kent AAICD Chairman and executive director. Age 63
Experience and expertise
Mr. Kent is an experienced business manager and corporate advisor with over 30 years experience in international equities and media. Mr. Kent was the CEO of Aspermont Limited from 2000 to 2005 and holds considerable knowledge of its products and the market landscape. Mr. Kent joined the Board in 1998.
Other current directorships
Mr. Kent holds directorships in Magyar Mining Ltd (since 2008), Water Resources Group Ltd (since 2007), New Guinea Energy Ltd (since 2009) and Excalibur Mining Ltd (since 2009). Mr. Kent is a member of the Australian Institute of Company Directors.
Former directorships in last 3 years
None
Special responsibilities
Chairman of the Board
Interest in shares and options
116,925,000 ordinary shares in Aspermont Limited

J. Stark AAICD Non-executive director. Age 64
Experience and expertise
Mr. Stark is an experienced business manager with experience and interests across various listed and unlisted companies. Mr. Stark has been a member of the Board since 2000.
Other current directorships
None
Former directorships in last 3 years
None
Special responsibilities
Chairman of Remuneration Committee
Interest in shares and options
24,695,000 ordinary shares in Aspermont Limited

L.G. Cross B.Com, CPA, FAICD Non-executive director. Age 62
Experience and expertise
Mr. Cross is the principal of the accounting firm CrossCorp Accounting. Mr. Cross has been a member of the Board since 2000.
Other current directorships
Executive Chairman of White Canyon Uranium Ltd (since 2007)
Non-Executive Chairman of Golden State Resources Ltd (since 2006)
Special responsibilities
Chairman of Audit & Risk Committee
Former directorships in last 3 years
None
Interest in shares and options
1,700,000 ordinary shares in Aspermont Limited

C. O'Brien BCL (Hons), AAICD Executive director. Age 38 (appointed on 29 January 2010)
Experience and expertise
Mr. O'Brien has in-depth management consulting and banking experience through previous roles and sits on numerous boards within the Aspermont Group. Mr. O'Brien joined the Board in January 2010.
Other current directorships
Publisher Australia (since 2009)
Special responsibilities
CEO – Group
Former directorships in last 3 years
None
Interest in shares and options
1,575,417 ordinary shares in Aspermont Limited

D. Nizol B.Com, BA (Hons) Executive director. Age 58 (appointed on 29 January 2010)
Experience and expertise
Mr. Nizol has a wealth of publishing experience, including previously holding senior executive positions in other media companies. Mr. Nizol joined the Board in January 2010.
Other current directorships
None
Special responsibilities
CEO – Aspermont UK
Former directorships in last 3 years
None
Interest in shares and options
1,700,603 ordinary shares in Aspermont Limited

C. Nader B.Com, M App Fin, CA Non-executive director. Age 41 (appointed on 29 January 2010)
Experience and expertise
Mr. Nader has extensive experience in corporate finance and strategic advisory roles in various industries, and is presently an Executive Director with Pitt Capital Partners. Mr. Nader joined the Board in January 2010.
Other current directorships
None
Special responsibilities
None
Former directorships in last 3 years
None

The above directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The Company Secretary is Mr. J. Detwiler, B.Sc, CPA. Mr. Detwiler was appointed to the position of Company Secretary and Chief Financial Officer in June 2010, and has extensive financial management and corporate governance experience in prior roles.

Meetings of directors

The number of meetings of the Company's Board of Directors and of each board committee held during the year ended 30 June 2010, and the number of meetings attended by each director were:

	Full meetings of directors		Meetings of committees Audit & Risk		Remuneration	
	A	**B**	**A**	**B**	**A**	**B**
A. Kent	4	4	4	4	–	–
J. Stark	4	4	**	**	–	–
L. Cross	4	4	4	4	–	–
C. O'Brien	2	2	**	**	–	–
D. Nizol	2	2	**	**	–	–
C. Nader	2	2	**	**	–	–

A = Number of meetings attended
B = Number of meetings held during the time the director held office or was a member of the committee during the year
**= Not a member of the relevant committee

Remuneration report (audited)

The information provided in this remuneration report has been audited as required by section 308 (3C) of the *Corporations Act 2001*.

The remuneration report is set out under the following main headings:
A Principles used to determine the nature and amount of remuneration
B Details of remuneration
C Service agreements
D Share-based compensation
E Additional information

A) Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders, and conforms with market practice for delivery of reward. The Board ensures that executive reward satisfies the following criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage/ alignment of executive compensation;
- transparency.

In consultation with external remuneration consultants, the Group has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the organisation.

Alignment to shareholders' interests:
- has economic profit as a core component of plan design;
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant return on assets as well as focusing the executive on key non-financial drivers of value;
- attracts and retains high-calibre executives.

Alignment to program participants' interests:
- rewards capability and experience;
- reflects competitive reward for contribution to growth in shareholder wealth;
- provides a clear structure for earning rewards;
- provides a recognition for contribution.

The framework provides a mix of fixed and variable pay, and a blend of short and long-term incentives. As executives gain seniority within the Group, the balance of this mix shifts to a higher proportion of "at risk" rewards.

The Board has established a Remuneration Committee which provides advice on remuneration and incentive policies and practices, and specific recommendations on remuneration packages and other terms of employment for executive directors, other senior executives and non-executive directors.

Non-executive directors
Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Board. The Board has also considered the advice of independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The Chair's fees are determined independently to the fees of non-executive directors based on comparative roles in the external market. The Chair is not present at any discussions relating to the determination of his own remuneration.

Directors' fees
The current base remuneration was last reviewed with effect from 1 July 2009. The directors' fees are inclusive of committee fees.

The following fees have applied:

	From 1 July 2010	From 1 July 2009 to 30 June 2010
Base Fees		
Chair	136,000	136,000
Non-executive directors	26,000 *	26,000

* Director fees for Mr. Nader were $50,000 on his appointment.

Executive pay
The executive pay and reward framework has three components. The combination of these comprises an executive's total remuneration. The Group intends to revisit the incentives during the year ending 30 June 2011.

Base Pay
This is structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. External remuneration consultants provide analysis and advice to ensure base pay is set to reflect the market for a comparable role. Base pay for executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

There are no guaranteed base pay increases in an executive's contract.

Benefits
Executives receive benefits including health insurance, car allowance and financial planning services.

Superannuation
Executives are paid the statutory contribution of 9%. Executives may elect to sacrifice base pay into superannuation at their discretion.

Short-term incentives (STI)
The STI target annual payment is reviewed annually against a combination of profit targets, strategic and operational objectives. Each executive STI is tailored to the achievement of objectives under that executive's direct sphere of influence. The use of profit targets ensures variable reward is only available when value has been created for shareholders and when profit is consistent with the business plan. The incentive pool is approved by the Remuneration Committee.

The Company currently does not have a policy to limit "at risk" remuneration for executives.

Long-term incentives
Long-term incentives are provided to certain employees to incentivise long-term objectives and tenure.

B) Details of remuneration

Amounts of remuneration

Details of the remuneration of the directors, the key management personnel of the Group (as defined in AASB 124 *Related Party Disclosures*) and specified executives of Aspermont Limited and the Aspermont Limited Group are set out in the following tables.

The key management personnel of the Group are the following:

- Andrew Leslie Kent – Chairman and Executive Director
- John Stark – Non-Executive Director
- Lewis George Cross – Non-Executive Director
- Charbel Nader – Non-Executive Director
- Colm O'Brien – Chief Executive Officer (Group) and Executive Director
- David Nizol – Chief Executive Officer (UK) and Executive Director
- John Detwiler – Chief Financial Officer and Company Secretary
- Chris Bond – Chief Operating Officer
- Mark Davies – Group Strategy and Consulting

There is no relationship between shareholder wealth and remuneration.

The following table demonstrates the Group's performance over shareholder value during the last five years:

	2010	2009	2008	2007	2006
Profit attributable to owners of the company	1,076,000	(484,000)	2,345,000	1,966,000	1,358,000
Dividends paid	–	–	282,000	253,000	183,000
Share price at 30 June	0.14	0.26	0.37	0.40	0.13
Return on capital employed	5%	-3%	12%	21%	23%

Key management personnel of the Group and other executives of the Company and the Group:

2010	**Short-term employee benefits**				**Post employment benefits**		
Name	Cash salary	Cash Bonus	Director Fees	Non monetary benefits	Super-annuation	Total	Performance Based Remuneration
Executive directors							
A. L. Kent Chair	120,727	–	–	–	10,800	131,527	0%
C. O'Brien **	178,922	–	18,958	49,069	16,336	263,286	0%
D. Nizol *	213,683	220,611	20,833	-	21,368	476,495	45%
Sub-total executive directors	513,332	220,611	39,792	49,069	48,504	871,308	
Non executive directors							0%
J. Stark	–	–	24,000	–	2,160	26,160	0%
L. G. Cross	–	–	24,000	–	2,160	26,160	0%
C. Nader **	–	–	26,544	–	2,625	29,169	0%
Sub-total non-executive directors	–	–	74,544	–	6,945	81,489	
Other key management personnel							
H. Thong #	258,329		–	45,578	17,024	320,931	0%
J. Detwiler ##	9,807		–	–	883	10,690	0%
C. Bond	119,372		–	32,140	12,150	163,662	0%
M. Davies	159,786		–	–	13,810	173,596	0%
Sub-total other key management personnel	547,294	–	–	77,718	43,867	668,879	
Total key management personnel compensation (Group)	1,060,626	220,611	114,336	126,787	99,317	1,621,676	

2009	Short-term employee benefits				Post employment benefits		
Name	Cash salary	Cash Bonus	Director Fees	Non monetary benefits	Super-annuation	Total	Performance Based Remuneration
Executive directors							
A. L. Kent Chair	119,415	–		–	60,299	179,714	0%
Sub-total executive directors	119,415			–	60,299	179,714	
Non-executive directors							
J. Stark	–	–	24,000	–	2,160	26,160	0%
L. G. Cross	–	–	24,000	–	2,160	26,160	0%
Sub-total non-executive directors	–	–	48,000	–	4,320	52,320	
Other key management personnel							
C. J. O'Brien	211,448	–	–	34,539	15,206	261,193	0%
D. F. Nizol	217,741	–	–	–	21,774	239,515	0%
H. Thong	161,226	–	–	32,370	13,068	206,664	0%
C. Bond	124,418	–	–	30,615	13,174	168,207	0%
M. Davies	175,810	–	–	–	14,185	189,995	0%
Sub-total other key management personnel	890,643	–	–	97,524	77,407	1,065,574	
Total key management personnel compensation (Group)	1,010,058	–	48,000	97,524	142,026	1,297,608	

Mr. Thong resigned as Chief Financial Officer on 28 May 2010 and Company Secretary on 11 June 2010. The cash salary amount includes an accrued benefit of $95,505.

Mr. Detwiler was appointed as Chief Financial Officer and Company Secretary on 27 May 2010 and 11 June 2010 respectively.

* Mr. Nizol was appointed as an Executive Director on 29 January 2010. UK executive remuneration, paid in British Pounds, has been converted to Australian Dollars at the average exchange rate over the 14 months ending 30 June 2010.

** Mr. O'Brien and Mr. Nader were appointed as Executive and Non-Executive Directors respectively on 29 January 2010.

C) Service agreements

On appointment to the Board, all directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of the director.

Remuneration and other terms of employment for the Chief Executive Officer (Group) and other key management personnel are also formalised and are currently being reviewed by the Remuneration Committee. Each of these agreements provide for the provision of performance-related cash bonuses and other benefits, including health insurance, car allowances and participation, when eligible, in Aspermont's Executive Option Plan. Other major provisions of the agreements relating to remuneration are set out below.

All contracts with executives may be terminated early by either party with three months notice, subject to termination payments as detailed below.

C. O'Brien *Chief Executive Officer (Group)*
- Term of agreement – commencing 3 October 2005 and ending 2 October 2010.
- Base salary, inclusive of superannuation, for the year ended 30 June 2010 of $265,000 to be reviewed annually by the remuneration committee.
- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to the base salary for the remaining term of the agreement.

D. Nizol *Chief Executive Officer (UK)*
- Term of agreement – ongoing, commencing 28 May 2008.
- Base salary, inclusive of pension contributions, for the year ending 30 June 2010 of GBP 110,000 (AUD 201,473) to be reviewed annually by the remuneration committee.
- Payment of a benefit on termination by the Company, other than for gross misconduct, equal to 6 months base salary.

J. Detwiler *Chief Financial Officer and Company Secretary*
- Term of agreement – ongoing, commencing 27 May 2010.
- Base salary, inclusive of superannuation, for the year ending 30 June 2010 of $168,500 to be reviewed annually by the remuneration committee.
- Payment of a benefit on termination by the Company, other than for gross misconduct, equal to 6 months base salary.

M. Davies *Group Strategy and Consulting*
- Term of agreement – ongoing, commencing 19 November 2007.
- Base salary, inclusive of superannuation, for the year ending 30 June 2010 of $201,840 to be reviewed annually by the remuneration committee.
- Payment of a benefit on termination by the Company, other than for gross misconduct, equal to 6 months base salary.

C. Bond *Chief Operating Officer*
- Term of agreement – commencing 1 November 2006, renewed 19 July 2010 and ending 19 July 2012.
- Base salary, inclusive of superannuation, for the year ending 30 June 2010 of $188,500 to be reviewed annually by the remuneration committee.
- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to 6 months base salary.

D) Share-based compensation

Options

Options over shares in Aspermont Limited are granted under the Aspermont Limited Executive Option Plan (EOP). The EOP is designed to provide long-term incentives for executives to deliver long-term shareholder returns. Under the plan, participants are granted options which only vest if certain performance standards are met and the employees are still employed by the Group at the end of the vesting period. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of two years. Options are granted under the plan for no consideration.

Options granted under the plan do not carry dividend or voting rights until they are exercised.

The exercise price of options is based on the weighted average price at which the Company's shares are traded on the Australian Securities Exchange during the week up to and including the date of grant.

Details of options over ordinary shares in the Company provided as remuneration to each director of Aspermont Limited and each of the key management personnel of the parent entity and the Group are set out below.

When exercisable, each option is convertible into one ordinary share of Aspermont Limited. Further information on the options is set out in note 16 to the financial statements.

Name	Number of options granted during the year		Number of options vested during the year	
	2010	2009	2010	2009
Key management personnel of the Group				
D. F. Nizol #	–	1,910,718	–	–

Mr. Nizol's options contained vesting conditions related to the financial performance of Aspermont UK. The options did not vest in 2009 and were cancelled on 30 June 2009.

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black-Scholes option-pricing model that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

No options were granted or exercised in Aspermont Limited in 2009 and 2010.

E) Additional information

Mr. Nizol was paid a special performance-based bonus in 2010 for the results of the integration of the UK business into the Group. No other bonuses were paid in 2010.

This is the end of the Audited Remuneration Report.

Loans to/from directors and executives

Information on loans to/from directors and executives, including amounts, interest rates and repayment terms are set out in note 19 to the financial statements.

Shares under option

Unissued ordinary shares of Aspermont Limited under option at the date of this report are as follows:

Date of issue	Date of expiry	Exercise price	Number of options
01/10/2005	30/09/2010	22.5c	1,000,000

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

Insurance of officers

During the financial year, Aspermont Limited paid a premium to insure the directors and secretary of the Company and its Australia-based controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. Not included are such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Indemnity of auditors

The Company has not, during or since the end of the financial year, given an indemnity or entered into an agreement to indemnify, or paid insurance premiums in respect of, the auditors of the Group.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The Board of Directors has considered the position and, in accordance with advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor.

- None of the services undermine the general principles relating to auditor independence as set out on APES 110 *Code of Ethics for Professional Accountants*.

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	Consolidated	
	2010	2009
Other assurance services		
BDO Audit (WA) Pty Ltd	$4,097	–

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 30.

This report of the directors incorporating the remuneration report is made in accordance with a resolution of the Board of Directors.

C. O'Brien
Director

Perth
30 September 2010

Corporate Governance

The primary role of the Aspermont Board (Board) is the protection and enhancement of long-term shareholder value. The Board is accountable to shareholders for the performance of the Company. It directs and monitors the business and affairs of the Company on behalf of shareholders and is responsible for the Company's overall corporate governance.

The Company is committed to a governance framework using the Australian Securities Exchange's (ASX) "Principles of Good Governance and Best Practice Recommendations". Full details regarding the Company's corporate governance framework can be obtained from the corporate website at www.aspermont.com.

The Company has complied with all the best practice recommendations of the ASX Corporate Governance Council for the year ended 30 June 2010 unless otherwise disclosed below:

A company should lay solid foundations for management and oversight

The Company has developed a board charter that determines the functions reserved for the Board and those delegated to executive management. The board charter includes executive appointments, strategic direction, monitoring performance, risk management, approval of business plans and budgets, and any other matter impacting business direction and shareholder interests.

Executive responsibilities are clearly defined through job descriptions, delegated authority guidelines and monitored through regular performance appraisals.

A company should structure the board to add value

The departures from ASX recommendations are:
i. Principle 2.1 Two of the six directors are considered to be independent.
ii. Principle 2.2 Chairman is not an independent director.

Only a minority of the Board is independent. Both Mr. L.G. Cross and Mr. C. Nader are financially oriented, experienced independent company directors.

Mr. A.L. Kent and Mr. J. Stark have material interests in the Company as shareholders. Both Mr. Kent and Mr. Stark have considerable industry and commercial experience and continue to provide guidance to the Company's strategic direction. The Chairman, Mr. Kent, is the Company's largest shareholder. Mr. Kent was the Chief Executive Officer of the Company from 2000 to 2005 and has considerable knowledge of the Company's operations and products.

Mr. C. O'Brien and Mr. D. Nizol are the CEO Group and CEO Aspermont United Kingdom, respectively, and are Executive Directors of the Company. They bring day to day experience of managing the Company's Australian and United Kingdom operations to the Board.

The board charter provides appropriate parameters to all board members on the scope and performance of their duties as custodians of shareholder interests. The Board is supported by the Remuneration Committee and Audit & Risk Committee which both support the Board in the discharge of Board responsibilities in specialist areas and whose respective committee charters allow for a high degree of external consultative involvement from independent advisors.

The directors have full access to the regular financial reports and budgets of the Company. All members have unrestricted access to the Chairman, executive officers and, subject to prior consultation with the Chairman, may seek independent professional advice at the Company's expense.

The Board's composition of six directors is currently appropriate to the size and scope of the Company in its present form. The Board regularly consults with external advisors on specialist matters reserved for the Remuneration and Audit & Risk Committees. The skills and experience of each board member are outlined within the directors' report.

A company should promote ethical and responsible decision making

The Company has established policies regarding trading in securities by directors and executive officers. A code of conduct applies to all directors, executive officers and employees of the company.

A company should safeguard integrity in financial reporting

A separate Audit & Risk Committee has been established to ensure the appropriate amount of diligence is applied to the areas of financial reporting, internal controls, compliance and risk. The Chief Executive Officer and Chief Financial Officer provide certifications that the Company's financial reports are complete and present a true and fair view.

A company should make timely and balanced disclosures

The Company seeks to provide relevant and timely disclosure to shareholders in accordance with the *Corporations Act 2001* and ASX Listing Rules. The Company Secretary is nominated to ensure the Company meets its obligations to the broader market for continuous disclosure.

A company should respect the right of shareholders

A robust communication structure is in place to ensure shareholders can access relevant and timely information through various mediums. All information disclosed to the ASX is posted on the Company's website as soon as it is disclosed to the ASX. The Company website also has an option for shareholders to register their e-mail address for direct e-mail updates on company matters.

A company should recognise and manage risk

The Board, through the Audit Committee, is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. In summary, company policies are designed to ensure strategic, operational, legal, reputational and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the Group's business objectives.

A company should remunerate fairly and responsibly

The Remuneration Committee of the Board whose scope includes obtaining independent input from external advisors, determines remuneration levels for the Chairman and key executives with regard to market-based factors and achievement of performance targets. External advice is sought as necessary to ensure remuneration levels are fair and responsible having regard to the current size and scope of the Company. Full disclosure of remuneration to directors and executives of the Company are disclosed in the Remuneration Report.

Tel: +8 6382 4600
Fax: +8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

30th September 2010

The Directors
Aspermont Limited
613-619 Wellington Street
PERTH WA 6000

Dear Sirs,

DECLARATION OF INDEPENDENCE BY BRAD MCVEIGH TO THE DIRECTORS OF ASPERMONT LTD

As lead auditor of Aspermont Ltd for the year ended 30 June 2010, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Aspermont Ltd and the entities it controlled during the period.

Brad McVeigh
Director

BDO

BDO Audit (WA) Pty Ltd
Perth, Western Australia

		Consolidated	
		2010	2009
	Note	$000	$000
Revenue from continuing operations	4	20,905	23,052
Other income	4	2,062	1,677
Cost of sales	5	(8,122)	(10,503)
Gross profit		**14,845**	**14,226**
Distribution expenses		(974)	(1,290)
Marketing expenses		(3,610)	(3,985)
Occupancy expenses		(996)	(927)
Corporate and administration		(3,439)	(3,304)
Finance costs		(1,038)	(1,208)
Other expenses from ordinary activities		(3,360)	(4,124)
		(13,417)	**(14,838)**
Share of net profit in associates	9	306	70
Profit/(loss) from continuing operations before income tax expense		**1,734**	**(542)**
Income tax benefit/(expense) relating to continuing operations	6	(658)	58
Profit/(loss) for the year		**1,076**	**(484)**
Net profit/(loss) attributable to equity holders of the parent entity		**1,076**	**(484)**
Other comprehensive income/(loss)			
Foreign currency translation differences for foreign operations		461	45
Net change in fair value of equity instruments measured at fair value through comprehensive income		(1,645)	–
Income tax benefit relating to other comprehensive income		493	–
Other		–	(77)
Total comprehensive income/(loss) for the period (net of tax) attributable to equity holders of the parent entity		385	(516)
Basic earnings/(loss) per share (cents per share)	22	0.46	(0.22)
Diluted earnings/(loss) per share (cents per share)	22	0.46	n/a

The Statements of Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

STATEMENTS OF FINANCIAL POSITION

For the year ending 30 June 2010 | Aspermont Limited ACN 000 375 048 & Controlled Entities

	Note	Consolidated 2010 $000	Consolidated 2009 $000
CURRENT ASSETS			
Cash and cash equivalents	18	774	797
Trade and other receivables	7	3,066	1,897
Financial assets	8	3,887	2,045
TOTAL CURRENT ASSETS		**7,727**	**4,739**
NON-CURRENT ASSETS			
Trade and other receivables	7	0	1,028
Financial assets	8	2,757	6,758
Investments accounted for using the equity method	9	1,783	2,526
Property, plant and equipment	10	338	1,363
Deferred tax assets	6	793	905
Intangible assets and goodwill	11	32,380	31,327
TOTAL NON-CURRENT ASSETS		**38,051**	**43,907**
TOTAL ASSETS		**45,778**	**48,646**
CURRENT LIABILITIES			
Trade and other payables	12	4,018	5,986
Income in advance	13	2,823	2,188
Borrowings	14	2,125	30
Income tax payable	6	298	411
TOTAL CURRENT LIABILITIES		**9,264**	**8,615**
NON-CURRENT LIABILITIES			
Borrowings	14	8,788	15,186
Deferred tax liabilities	6	5,041	5,400
Provisions	15	159	144
TOTAL NON-CURRENT LIABILITIES		**13,988**	**20,730**
TOTAL LIABILITIES		**23,252**	**29,345**
NET ASSETS		**22,526**	**19,301**
EQUITY			
Issued capital	16	49,125	46,285
Reserves		(558)	692
Accumulated losses		(26,041)	(27,676)
TOTAL EQUITY		**22,526**	**19,301**

The Statements of Financial Position should be read in conjunction with the Notes to the Financial Statements.

Consolidated	Ordinary Share Capital $000	Accumulated Losses $000	Asset Revaluation Reserve $000	Capital Profits Reserve $000	Share Based Reserve $000	Currency Translation Reserve $000	Financial Assets Reserve $000	Non-Controlling Interests $000	Total $000
Balance at 1 July 2008	**46,285**	**(27,018)**	**482**	**81**	**135**	**(47)**	–	**(101)**	**19,817**
Profit/(loss) attributable to members of parent entity	–	(484)	–	–	–	–	–	–	(484)
Other comprehensive income									
Foreign currency translation differences for foreign operations	–	–	–	–	–	45	–	–	45
Reverse prior year transaction	–	–	(3)	(1)	–	–	–	–	(4)
NCI adjustment	–	(174)	–	–	–	–	–	101	(73)
Total comprehensive income	–	**(658)**	**(3)**	**(1)**	–	**45**	–	**101**	**(516)**
Balance at 30 June 2009	**46,285**	**(27,676)**	**479**	**80**	**135**	**(2)**	–	–	**19,301**
Balance at 1 July 2009	**46,285**	**(27,676)**	**479**	**80**	**135**	**(2)**	–	–	**19,301**
Profit/(loss) attributable to members of parent entity	–	1,076	–	–	–	–	–	–	1,076
Other comprehensive income									
Transfer to retained earnings/ (accumulated losses)	–	559	(479)	(80)	–	–	–	–	–
Foreign currency translation differences for foreign operations	–	–	–	–	–	461	–	–	461
Financial assets reserve movement	–	–	–	–	–	–	(1,645)	–	(1,645)
Income tax relating to components of other comprehensive income	–	–	–	–	–	–	493	–	493
Total comprehensive income	–	**1,635**	**(479)**	**(80)**	–	**461**	**(1,152)**	–	**385**
Transactions with owners in their capacity as owners									
Shares issued (net of issue costs)	2,840	–	–	–	–	–	–	–	2,840
Balance at 30 June 2010	**49,125**	**(26,041)**	–	–	**135**	**459**	**(1,152)**	–	**22,526**

The Statements of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

STATEMENTS OF CASH FLOWS

For the year ending 30 June 2010 I Aspermont Limited ACN 000 375 048 & Controlled Entities

	Note	Consolidated 2010 $000	Consolidated 2009 $000
Cash flows from operating activities			
Cash receipts from customers		20,517	24,221
Cash payments to suppliers and employees		(20,615)	(22,210)
Interest and other costs of finance paid		(738)	(910)
Interest received		12	30
Income tax paid		(42)	–
Net cash provided by/ (used in) operating activities	18(b)	**(866)**	**1,131**
Cash flows from investing activities			
Loans to other entities		(300)	(22)
Proceeds from loans repaid		–	299
Payments for investments		(746)	(1,425)
Proceeds from sale of equity investments		3,585	379
Payments for non-current assets		(531)	(1,077)
Net cash provided by/ (used in) investing activities		**2,008**	**(1,846)**
Cash flows from financing activities			
Proceeds from issue of shares, net of issue costs		2,627	–
Proceeds of borrowings		31	561
Repayment of borrowings		(3,776)	(313)
Dividends paid		–	(139)
Net cash provided by/ (used in) financing activities		**(1,118)**	**109**
Net increase/ (decrease) in cash held		24	(606)
Cash at the beginning of the year		797	1,422
Effects of exchange rate changes on the balance of cash held in foreign currencies		(47)	(19)
Cash at the end of the year	18(a)	**774**	**797**

The Statements of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

1. General information

Aspermont Limited is a listed public company, incorporated in Australia and operating in Australia.

Aspermont Limited's registered office and its principal place of business are as follows:

Registered office	Principal place of business Australia	Principal place of business United Kingdom
613-619 Wellington Street	613-619 Wellington Street	1 Singer Street
Perth, WA 6000	Perth, WA 6000	London, United Kingdom EC2A 4BQ
Tel: +61 8 6263 9100	Tel: +61 8 6263 9100	Tel: +44 (0) 207 216 6060

2. Significant accounting policies

Statement of compliance

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report covers the consolidated group of Aspermont Limited and controlled entities. Separate financial statements of Aspermont Limited, as an individual entity, are no longer presented as a consequence of a change to the *Corporations Act 2001*. Financial information for Aspermont Limited as an individual entity is included in note 3.

The financial report of Aspermont Limited and controlled entities comply with all International Financial Reporting Standards (IFRS) in their entirety.

Basis of preparation

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected financial assets for which the fair value basis of accounting has been applied.

The accounting policies have been consistently applied to all years presented, except for the following:

Financial Assets

The Group has adopted the revised AASB 9 *Financial Instruments* in the current year and has applied the revised provisions to financial assets for the year commencing 1 July 2009.

As allowed by AASB 9, if early adopted, the Group has elected not to restate prior periods. No adjustments between the previous carrying amount and the carrying amount were required.

The impact on the consolidated statement of comprehensive income for the year ended 30 June 2010 as a result of applying AASB 9 is as follows (000s):

- $1,645 decrease in fair value of equity instruments has been classified to other comprehensive loss rather than a reduction of other income.

The impact on the consolidated statement of financial position at 30 June 2010 from reclassifying financial assets as a result of applying AASB 9 is as follows (000s):

- $1,645 decrease in fair value of equity instruments has been classified as reserves in the equity section rather than accumulated losses in the equity section.

The change in accounting policy has a positive impact of $0.0070 on the basic earnings per share as well as the diluted earnings per share in 2010.

Reporting period

The financial year-end date for Aspermont UK has been amended from 30 April to 30 June to align reporting to the other companies within the Aspermont Limited Group. The directors believe this will improve the transparency of the financial performance and position of the Company.

Segment reporting

The Group has adopted AASB 8 *Operating Segments* from July 1, 2009. The new standard requires a management approach, under which segment information is presented on the same basis as that used for internal reporting purposes. This amendment impacts disclosures in the financial statements only.

Presentation of Financial Statements

The Group has applied AASB 101 *Presentation of Financial Statements* from 1 July 2009. AASB 101 requires that all non-owner changes in equity (comprehensive income) are disclosed in a Statement of Comprehensive Income. This approach has been adopted by the Group. Other changes that have been adopted in accordance with the standard are the renaming of the primary statements.

(a) Basis of consolidation

The consolidated accounts comprise the accounts of Aspermont Limited and all of its controlled entities, the Group. A controlled entity is any entity that Aspermont has the power to control the financial and operating policies of so as to obtain benefits from its activities.

A list of controlled entities is contained in note 17 to the financial statements.

All inter-company balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

Non-controlling interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

In the parent entity the investments in the subsidiaries are carried at cost, less impairment.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Aspermont Limited.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the statement of comprehensive income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to the statement of comprehensive income where appropriate.

Changes in accounting policy

The Group has changed its accounting policy for transactions with non-controlling interests and the accounting for loss of control, joint control or significant influence from 1 July 2009 when a revised AASB 127 *Consolidated and Separate Financial Statements* became operative. The revisions to AASB 127 contained consequential amendments to AASB 128 *Investments in Associates* and AASB 131 *Interests in Joint Ventures*.

Previously transactions with non-controlling interests were treated as transactions with parties external to the Group. Disposals therefore resulted in gains or losses in profit or loss and purchases resulted in the recognition of goodwill. On disposal or partial disposal, a proportionate interest in reserves attributable to the subsidiary was reclassified to profit or loss directly to retained earnings.

Previously when the Group ceased to have control, joint control or significant influence over an entity, the carrying amount of the investment at the date control, joint control or significant influence ceased and became its cost for the purposes of subsequently accounting for the retained interests as associates, jointly controlled entity or financial assets.

The Group has applied the new policy prospectively to transactions occurring on or after 1 July 2009. As a consequence, no adjustments were necessary to any of the amounts previously recognised in the financial statements.

(b) Cash and cash equivalents

For the purpose of the statement of cash flows, cash includes:
i. cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts; and
ii. investments in money market instruments with less than 14 days to maturity.

(c) Plant and equipment

Each class of plant and equipment is carried at cost less accumulated depreciation and impairment.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than the estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

The depreciable amounts of all plant and equipment are depreciated on a diminishing value basis over their useful lives to the economic entity commencing from the time an asset is held ready for use.

The depreciation rates used for depreciable assets are:

Class of fixed asset	**Depreciation rate**
Plant and equipment	13.5% – 40%

(d) Employee benefits

Provision is made for the Company's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and annual leave, which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements. Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

(e) Financial instruments

Recognition

The Group recognises receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

Financial assets are classified based on the objective of the Group's business model for managing the financial assets and the characteristics of the contractual cash flows.

The Group derecognises a financial asset when the contractual cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows such that substantially all the risks and rewards of ownership of the financial asset are transferred.

The Group has the following financial assets:

Financial assets at fair value
Financial assets at fair value are non-derivative financial assets.

Financial assets at fair value are measured initially at fair value which includes transaction costs directly attributable to the acquisition of the financial asset. They are measured subsequently at fair value with movements in fair value being recognised in the profit or loss, unless:

- The financial asset is an equity investment, and
- The Group has made an irrevocable election to present gains and losses on the financial asset in other comprehensive income. This election has been made on an individual equity basis.

Where the Group is unable to determine a fair value, the assets are held at cost.

Dividends from equity investments are included in the profit or loss regardless of whether the election has been made to recognise movements in fair value in other comprehensive income.

Profit or loss arising on the sale of equity investments is recognised in the profit or loss unless the election has been made to recognise fair value movements in other comprehensive income.

Impairment
Impairment losses on financial assets at fair value are recognised in profit or loss, unless the election has been made to recognise movements in fair value in other comprehensive income, in which case impairment losses are recognised in other comprehensive income.

(f) Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the statement of financial position date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled.

Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Aspermont Limited and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the Tax Consolidation System. Aspermont Limited is responsible for recognising the current and deferred tax assets and liabilities for the tax consolidated group. The Group notified the ATO in April 2004 that it had formed an income tax consolidated group to apply from July 2002.

Tax consolidation

Aspermont and its wholly owned Australian subsidiaries are a tax consolidated group. As a consequence, as the head entity in the tax consolidated group, Aspermont will recognise current and deferred tax amounts relating to transactions, events and balances of the wholly owned Australian controlled entities in the Group in future financial statements as if those transactions, events and balances were its own, in addition to the current and deferred tax balances arising in relation to its own transactions, events and balances. These tax amounts are measured as if each entity in the tax consolidated group continues to be a standalone taxpayer in its own right.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group. Details about any tax funding agreement are disclosed in note 6.

(g) Foreign currency

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge, in which case they are included in other comprehensive income.

Exchange differences arising on the translation of non-monetary items are recognised directly in comprehensive income to the extent that the gain or loss is directly recognised in comprehensive income, otherwise the exchange difference is recognised in the statement of comprehensive income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

Assets and liabilities are translated at year-end exchange rates at that reporting date.
Income and expenses are translated at average exchange rates for the period.
Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of comprehensive income in the period in which the operation is disposed.

(h) Investment in associates

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for in the parent entity financial statements using the cost method and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition (refer to note 9).

The Group's share of its associates' post-acquisition profits or losses is recognised in the statement of comprehensive income, and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(i) Intangibles

Goodwill

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business exceeds the fair value attributed to its net assets at date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Mastheads

Mastheads acquired separately are capitalised at cost and from a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets.

Mastheads are tested for impairment where an indicator of impairment exists, and the carrying amount is reviewed annually by the directors to ensure that it is not in excess of the recoverable amount.

IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include direct payroll and payroll-related costs of employees' time spent on the project. Amortisation is calculated on a diminishing value basis over periods generally ranging from 3 to 5 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the Group has an intention and ability to use the asset.

(j) Subscriptions in advance

Print magazine and internet news subscriptions are received in advance for the subscription period applied for. Subscriptions received during the financial year for issues expected to be published and news services to be provided after balance date have been deferred and will be brought to account and recognised in the accounting period in which the respective magazines or news services subscribed for are published.

(k) Revenue and other income

Advertising and subscription revenue is brought to account and recognised in the accounting period in which the respective magazines or news sites containing the booked advertisements are published or displayed. All revenue is stated net of the amount of goods and services tax (GST).

Conference revenue is brought to account and recognised in the accounting period in which the respective event occurs. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

The Company's share of profit from associated companies has been recognised in accordance with AASB 128 *Investments in Associates*.

(l) Impairment of assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(m) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the assets, but not the legal ownership that is transferred to entities in the economic entity, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised on a straight line basis over the lease term.

(n) Rounding of amounts

The parent entity has applied the relief available to it under ASIC Class Order 98/100 and, accordingly, amounts in the financial statements have been rounded off to the nearest $1,000.

(o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for intended use or sale. Other borrowing costs are expensed.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after reporting date.

(p) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(q) Government grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

(r) Share-based payment transactions

The Company provides benefits to employees (including directors) whereby a component of remuneration includes the issue of share options. The cost of these transactions with employees is measured by reference to the fair value at the date at which they are granted. The cost is recognised together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (vesting date).

(s) Critical accounting estimates and judgments

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

Key Estimates — Impairment
The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. No impairment has been recognised for the year ended 30 June 2010.

Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. Key assumptions used for value-in-use calculations are disclosed in note 11(b).

(t) Business combinations

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in the statement of comprehensive income as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(u) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus entitlements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(v) Trade receivables

Trade receivables are recognised at fair value and are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the asset's carrying amount.

The amount of impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(w) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(x) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(y) Accounting standards issued not yet effective

The following standards and interpretations, which may impact the Group in the period of initial application, have been issued but are not yet effective:

Reference	Title	Summary	Application date (financial years beginning)
AASB 2009-5	Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project	Amends a number of standards as a result of the annual improvements project	1 January 2010
AASB 124	Related Party Disclosures	Revised standard. The definition of a related party is simplified to clarify its intended meaning and eliminate inconsistencies from the application of the definition	1 January 2011
2009-12	Amendments to Australian Accounting Standards	Amends AASB 8 Operating Segments as a result of the revised AASB 124. Amends a number of standards and interpretations as a result of the annual improvements project	1 January 2011
2010-3	Amendments to Australian Accounting Standards arising from the Annual Improvements Project	Amends AASB 3, AASB 7, AASB 121, AASB 128, AASB 131, AASB 132 and AASB 139 as a result of the annual improvements project	1 January 2010
2010-4	Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project	Further amends AASB 1, AASB 7, AASB 101, and AASB 134 and interpretation 13 as a result of the annual improvements project	1 January 2010

The expected impact on the consolidated entity of the above standards and interpretations is currently being assessed by management. A final assessment has not been made on the expected impact of these standards and interpretations. However, it is expected that there will not be any significant changes to the accounting policies of the consolidated entity.

(z) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer who makes strategic decisions.

Change in accounting policy

The Group has adopted AASB 8 *Operating Segments* from 1 July 2009. AASB 8 replaces AASB 114 *Segment Reporting*. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented. In addition, the segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. There has been no impact on the measurement of the Company's assets and liabilities as a result. Comparatives for 2009 have been restated.

3. Parent entity information

The following details relate to the parent entity, Aspermont Limited, at 30 June 2010. The information presented here has been prepared using consistent accounting policies as presented in note 2.

	2010 $000	2009 $000
Current assets	5,763	3,418
Non-current assets	31,517	37,400
Total assets	37,280	40,818
Current liabilities	5,899	5,210
Non-current liabilities	12,579	18,920
Total liabilities	18,478	24,130
Contributed equity	49,125	46,285
Retained earnings/ (accumulated losses)	(29,240)	(30,261)
Option reserve	135	135
Other reserves	(1,218)	529
Total equity	18,802	16,688
Profit/ (loss) for the year	461	(1,873)
Other comprehensive income/ (loss) for the year	(1,187)	(4)
Total comprehensive income/ (loss) for the year	(726)	(1,877)

All of the companies of the Group including the parent are a party to the ANZ loan described in note 20.

As detailed in note 24, there is a subsequent event and contingent liability in respect of compensation to related parties.

4. Revenue

	Consolidated 2010 $000	Consolidated 2009 $000
Continuing operations:		
Sales revenue – subscriptions & advertising	15,571	17,375
Conferencing revenue	5,334	5,677
	20,905	23,052
Other income:		
Government grants *	–	69
Interest	36	29
Corporate advisory	196	243
Gain on sale of shares	1,309	526
Net gain in fair value of financial assets at fair value through profit or loss	592	425
Profit/ (loss) on sale of associate	(236)	–
Other income	165	385
	2,062	1,677
	22,967	24,729

* Government grants
Export market development grants of $68,679 were recognised as other income during the 2009 financial year. There were no unfilled conditions or other contingencies attaching to these grants. The Group did not benefit directly from any other forms of government assistance.

5. Expenses

Profit/ (loss) before income tax includes the following specific expenses:

	Consolidated 2010 $000	Consolidated 2009 $000
(a) Expenses:		
Cost of sales	8,122	10,503
Bad debts written off	77	314
Legal costs	64	75
Interest expenses	1,038	1,208
Consulting & accounting services	687	334
Write-down of non-current investments to recoverable amount	–	216
Depreciation and amortisation of plant, equipment and websites	475	945
Directors' fees	241	174
Rental expense on operating leases	786	645
Movement in provisions for employee entitlements	(33)	105
Superannuation	634	718
(b) Remuneration of auditors of the parent entity for:		
Auditing or reviewing the accounts – MSI Marsdens	43	52
Auditing or reviewing the accounts – BDO Audit (WA) Pty Ltd	58	–
Other services – technical consultation – BDO Audit (WA) Pty Ltd	4	–

6. Taxation

	Consolidated	
	2010 $000	2009 $000
(a) Income tax expense/ (revenue)		
The components of tax expense/ (revenue) comprise:		
Current tax	310	434
Deferred tax	286	(542)
Prior year adjustments	62	50
	658	(58)
The prima facie tax on profit/ (loss) before tax is reconciled to the income tax as follows:		
Profit/ (loss) from operations	1,734	(542)
Income tax expense calculated at 30%	520	(163)
Tax effect of permanent differences:		
Increase in income tax expense due to:		
Non-deductible expenditure	182	28
Write-downs to recoverable amounts	–	126
Prior year adjustments	62	50
Decrease in income tax expense due to:		
Change in tax rates	(16)	(26)
Non-assessable income	(90)	(21)
Utilisation of deferred tax asset not previously recognised	–	(52)
Income tax expense/ (benefit) attributable to profit from ordinary activities	658	(58)
Effective tax rate	38%	11%
Income tax payable		
Opening balance	411	–
Charged to income	(101)	434
Currency movements	(12)	(23)
	298	411
(b) Deferred tax		
Deferred income tax at 30 June relates to the following:		
Liabilities		
Revaluation adjustments taken directly to equity	(493)	–
Fair value gain adjustments	1,712	1,578
Share revaluation adjustments taken in relation to business combinations	3,822	3,822
Total	5,041	5,400
Assets		
Provisions	190	238
Future benefit of carried forward losses	569	635
Other	34	32
	793	905

	Consolidated 2010 $000	Consolidated 2009 $000
(c) Reconciliations		
The movement in deferred tax liability for each temporary difference during the year is as follows:		
Share revaluation adjustments taken directly to equity		
At 1 July 2009	–	194
Net revaluations during the current period	(493)	(194)
At 30 June 2010	(493)	–
Fair value gain adjustments		
At 1 July 2009	1,578	539
Net revaluations during the current period	134	1,039
At 30 June 2010	1,712	1,578
Unearned revenue		
At 1 July 2009	–	450
Net change during the current period	–	(450)
At 30 June 2010	–	–
Other		
At 1 July 2009	3,822	4,255
Net change during the current period	–	(433)
At 30 June 2010	3,822	3,822
Total deferred tax liabilities	5,041	5,400
The movement in deferred tax assets for each temporary difference during the year is as follows:		
Provisions		
At 1 July 2009	238	125
Net changes during the current period	(48)	113
At 30 June 2010	190	238
Recognition of carried forward losses		
At 1 July 2009	635	–
Net changes during the current period	(66)	635
At 30 June 2010	569	635
Other		
At 1 July 2009	32	36
Net revaluations during the current period	2	(4)
At 30 June 2010	34	32
Total deferred tax assets	793	905
(d) Amounts recognised directly in equity		
Aggregate current and deferred tax arising in the reporting period and not recognised in the statement of comprehensive income but directly debited or credited to equity:		
Net deferred tax – debited/ (credited) directly to equity	493	–
(e) Tax expense/ (income) relating to items of other comprehensive income		
Financial assets reserve	493	–

The Company has not fully recognised the benefits of potential carried forward income and capital losses as deferred tax assets pending the review of the status of unrecognised tax losses incurred.

Deferred tax assets relating to the current and prior year losses only have been recognised.

Tax consolidation

Aspermont and its wholly owned Australian subsidiaries are a tax consolidated group. The accounting policy in relation to this legislation is set out in note 2 (f).

On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which limits the joint and several liability of the wholly owned entities in the case of a default by the head entity, Aspermont Limited.

7. Receivables

	Consolidated	
	2010 $000	2009 $000
Current		
Trade receivables	2,320	2,234
Allowance for impairment	(329)	(428)
Other receivables	1,075	91
	3,066	1,897
Non-Current		
Loans to associates	–	12
Amounts receivable from director related entities (see note 19)	–	1,016
	–	1,028

Information about the Group's exposure to interest rate risk and credit risk is provided in note 20.

(a) Impaired trade receivables

As at 30 June 2010 current trade receivables of the Group with a nominal value of $329,010 (2009 – $428,000) were impaired. The amount of the allowance was $329,010 (2009 – $428,000). The individually impaired receivables mainly relate to customers who are in unexpectedly difficult economic situations.

The ageing of these receivables is as follows:

	Consolidated	
	2010 $000	2009 $000
1 to 3 months	57	19
Over 3 months	272	409
	329	428

Movements in the allowance for the impairment of receivables are as follows:

	Consolidated	
	2010 $000	2009 $000
At 1 July	428	22
Allowance for impairment	74	567
Foreign exchange movement	(59)	–
Receivables written off	(114)	(161)
	329	428

The creation and release of the allowance for impaired receivables has been included in Other Expenses in the income statement. Amounts charged to the provision are generally written off when there is no expectation of recovering additional cash.

(b) Past due but not impaired

As at 30 June 2010, trade receivables of $998,492 (2009: $857,496) were past due but not impaired. The ageing analysis of these trade debtors is as follows:

	Consolidated	
	2010 $000	2009 $000
1 to 3 months	819	765
Over 3 months	179	93
	998	858

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due. The Group does not hold any collateral in relation to these receivables.

Information about the Group's exposure to foreign currency risk and interest rate risk in relation to trade and other receivables is provided in note 20.

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivable mentioned above.

8. Other financial assets

	Consolidated 2010 $000	Consolidated 2009 $000
Current		
Financial assets at fair value through profit or loss (i)	3,877	2,045
Other	10	–
	3,887	2,045
Non-current		
Financial assets at fair value through profit or loss	–	1,530
Financial assets at fair value through other comprehensive income (ii)	2,057	4,066
Financial assets at cost through other comprehensive income (iii)	675	1,162
Other	25	–
	2,757	6,758

(i) Fair value measurements were obtained using quoted prices (unadjusted) in active markets for identical assets. (Level 1)

(ii) Fair value measurements were obtained using inputs other than quoted prices that are observable for the asset either directly (as prices) or indirectly (derived from prices). (Level 2)

(iii) Measurements are based on the purchase cost of the investment and therefore not on observable market data. (Level 3)

The change in value for the Level 3 investments from 1 July 2009 to 30 June 2010 was due to a reduction in the fair value of Magyar Mining, with the amount being $231,409.

Gains or losses on unlisted investments, wherein an irrevocable election has been made to recognise fair value changes in other comprehensive income, are recognised as a separate component of equity. Other gains or losses have been included in the profit or loss.

Information about the Group's exposure to price risk is provided in note 20.

Equity instruments measured at fair value through other comprehensive income

These investments have been classified as fair value through other comprehensive income because they are investments that the Group intends to hold for the longer term.

Equity investments held at year-end:	Consolidated 2010 $000
Fair Value	
Water Resources Group Ltd	1,957
Advent Energy Ltd	100
	2,057
Cost	
Magyar Mining Ltd	323
Private Media Group Pty Ltd	100
EnviroEnergy Resources Ltd	252
	675

9. Investments accounted for using the equity method

(a) Movements in carrying amounts

	Consolidated	
	2010 $000	2009 $000
Carrying amount at the beginning of the financial year	2,526	2,456
Acquisition of associates during the year	1,473	–
Sale of associates during the year	(2,482)	–
Dividends received	(40)	–
Share of profits after income tax	306	70
Carrying amount at the end of the financial year	1,783	2,526

(b) Summarised financial information of associates

The Group's share of the results of its principal associates and its aggregated assets (including goodwill) and liabilities are as follows:

2010	Ownership Interest	Assets	Liabilities	Revenues	Profit/ (Loss)
		$000	$000	$000	$000
WME Media Pty Ltd	30%	488	116	372	28
Kondinin Information Services Pty Ltd	30%	1,799	388	680	(63)
Tonkin Corporation *	49%	–	–	2,769	341
		2,287	504	3,821	306

2009	Ownership Interest	Assets	Liabilities	Revenues	Profit/ (Loss)
		$000	$000	$000	$000
WME Media Pty Ltd	30%	420	76	348	(10)
Tonkin Corporation	49%	2,804	622	2,539	80
		3,224	698	2,887	70

All of the above associates are incorporated in Australia.

* Tonkin Corporation purchased Aspermont's 49% share in May 2010.

10. Plant and equipment

	Consolidated	
	2010 $000	2009 $000
Plant and equipment – at cost	1,388	1,403
Accumulated depreciation	(1,149)	(1,082)
	239	321
Equipment under finance lease – at cost	237	237
Accumulated depreciation	(138)	(106)
	99	131
Software	–	1,875
Accumulated amortisation	–	(964)
	–	911
Total plant and equipment	338	1,363

(a) Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

Consolidated	Plant and equipment	Leased plant & equipment	Software	Total
	$000	$000	$000	$000
Gross carrying amount				
Balance at 1 July 2008	1,388	237	892	2,517
Additions	86	–	991	1,077
Currency movements	(9)	–	(8)	(17)
Disposals	(62)	–	–	(62)
Balance at 1 July 2009	1,403	237	1,875	3,515
Additions	24	–	–	24
Currency movements	(39)	–	–	(39)
Reclassified	–	–	(1,875)	(1,875)
Balance at 30 June 2010	1,388	237	–	1,625
Accumulated depreciation				
Balance at 1 July 2008	(968)	(41)	(283)	(1,292)
Disposals	62	–	–	62
Depreciation expense	(187)	(65)	(693)	(945)
Currency movements	11	–	12	23
Balance at 1 July 2009	(1,082)	(106)	(964)	(2,152)
Depreciation expense	(106)	(32)	–	(138)
Currency movements	39	–	–	39
Reclassified	–	–	964	964
Balance at 30 June 2010	(1,149)	(138)	(0)	(1,287)
Net book value				
As at 30 June 2009	321	131	911	1,363
As at 30 June 2010	239	99	(0)	338

(b) Leased plant and equipment

The parent entity leases assets under a number of finance lease agreements. At 30 June 2010, the net carrying amount of leased plant and equipment was $98,861 (2009: $130,953). The leased equipment secures lease obligations.

11. Intangible assets

	Consolidated 2010 $000	Consolidated 2009 $000
Goodwill on acquisition	16,262	16,262
Software	1,053	–
Purchased mastheads	12,284	12,284
Other	2,781	2,781
	32,380	31,327

(a) Impairment tests for intangible assets

Intangible assets are allocated to the Group's cash generating units (CGUs) identified according to business segment and country of operation. The recoverable amount of each CGU is based on value-in-use calculations.

	2010 Australia $000	2010 UK $000	Total $000	2009 Australia $000	2009 UK $000	Total $000
Goodwill						
Conferencing	144	–	144	144	–	144
Publishing (print & online)	13,057	3,061	16,118	13,057	3,061	16,118
	13,201	3,061	16,262	13,201	3,061	16,262
Software *						
Cost	2,320	–	2,320	–	–	–
Accumulated amortisation	(1,267)	–	(1,267)	–	–	–
	1,053	–	1,053	–	–	–
Other Intangible Assets						
Mastheads (print & online)	2,324	9,960	12,284	2,324	9,960	12,284
Other (conferencing)	–	2,781	2,781	–	2,781	2,781
	2,324	12,741	15,065	2,324	12,741	15,065
Total Intangible Assets	16,578	15,802	32,380	15,525	15,802	31,327

* Internally developed software has been reclassified in the current year from property, plant and equipment. Cost includes current year additions of $506,188 and current year amortisation is $337,009.

(b) Key assumptions used for value-in-use calculations

	2010		2009	
	Growth rate *	Discount rate	Growth rate *	Discount rate
Conferencing	10%	10%	2%	10%
Publishing (print & online) – UK	10%	10%	2%	10%
Publishing (print & online) – Australia	10%	11%	2%	8%

* The average growth rate used to extrapolate revenue cash flows. The average growth rate for expenses was 3%.

The discount rates used reflect specific risks relating to the relevant segments and the countries in which they operate.

These assumptions have been used for the analysis of each CGU within the business segment. Management determined budgeted gross margin based on past performance and its expectations for the future. If any of these assumptions were to change this could affect the carrying amounts of the goodwill and intangible assets.

(c) Impact of possible changes in key assumptions

Sensitivity analysis demonstrates that an increase in the discount rate applied of up to 300 basis points would not have any impact on the carrying value of the intangible assets.

(d) Impairment charge

Based on cash flows and impairment testing, no impairment adjustments were required for 30 June 2010 (2009 $215,971).

12. Trade and other payables

	Consolidated	
Current	2010 $000	2009 $000
Unsecured Liabilities		
Trade payables	865	1,200
Sundry creditors and accrued expenses	2,546	3,614
Dividend payable	–	–
Annual leave payable	366	390
Loans from related parties (see note 19)	241	782
	4,018	5,986

Information about the Groups' exposure to risk is provided in note 20.

Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

13. Income in advance

	Consolidated	
	2010 $000	2009 $000
Opening balance	2,188	2,390
Movement during the year	635	(202)
	2,823	2,188

Income in advance relates to subscription, advertising and event revenue received prior to services rendered.

14. Borrowings

	Consolidated	
	2010 $000	2009 $000
Current		
Finance lease liability	25	30
Secured loans from external parties	2,100	–
	2,125	30
Non-Current		
Unsecured Liabilities		
Unsecured loan notes	–	822
Loans from related parties (see note 19)	3,155	3,085
Secured Liabilities		
Finance lease liability	233	279
Secured loans from external parties	5,400	11,000
	8,788	15,186

a) The carrying amount of the Group's current and non-current borrowings approximates the fair value.

b) Lease liabilities are secured by the asset leased.

c) Loans from related parties are unsecured at interest rates of 8.05% to 9.25%. Repayment of these loans is subject to limitations and subordinated to the ANZ facility debt.

d) The external party loan is secured by registered company charges and fixed and floating charges over the assets of the consolidated entity. The terms of the current facility expire on 31 December 2011 with the principal to be fully repaid by this time. At the date of this report the Company was compliant with its banking and loan facility covenants.

e) Information about the Groups' exposure to interest rate risk is provided in note 20.

15. Provisions

	Consolidated 2010 $000	Consolidated 2009 $000
Non-Current		
Long service leave entitlements	159	144

16. Issued capital

	Consolidated 2010 $000	Consolidated 2009 $000
236,710,493 fully paid ordinary shares (2009: 217,358,509)	49,125	46,285

(a) Ordinary shares

	2010 $000	2009 $000
At the beginning of the reporting period	46,285	46,285
Shares issued during the year:		
19,351,984 fully paid ordinary shares issued as part of the rights issue and private placement	2,903	–
Transaction costs	(63)	–
At reporting date	49,125	46,285

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

(b) Options

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

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

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

The table below is a summary of options granted under the plan:

Grant Date	Expiry Date	Exercise Price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
Consolidated and parent entity – 2010								
01-Jul-05	30-Jun-10	22.5c	9,000,000	–	–	9,000,000	–	–
01-Oct-05	30-Sep-10	22.5c	1,000,000	–	–	–	1,000,000	1,000,000
23-Aug-06	23-Aug-09	22.5c	750,000	–	–	750,000	–	–
02-Mar-07	02-Mar-10	45.0c	150,000	–	–	150,000	–	–
22-Aug-07	22-Aug-10	50.0c	500,000	–	–	500,000	–	–
			11,400,000	–	–	10,400,000	1,000,000	1,000,000

Grant Date	Expiry Date	Exercise Price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Lapsed during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
Consolidated and parent entity – 2009								
01-Jul-05	30-Jun-10	22.5c	9,000,000	–	–	–	9,000,000	9,000,000
01-Oct-05	30-Sep-10	22.5c	1,000,000	–	–	–	1,000,000	1,000,000
23-Aug-06	23-Aug-09	22.5c	750,000	–	–	–	750,000	750,000
02-Mar-07	02-Mar-10	45.0c	150,000	–	–	–	150,000	150,000
22-Aug-07	22-Aug-10	50.0c	500,000	–	–	–	500,000	500,000
01-May-09	31-Jul-12	.09c	–	1,910,718	–	1,910,718	–	–
			11,400,000	1,910,718	–	1,910,718	11,400,000	11,400,000

The options lapsed during 2009 were cancelled due to non-market vesting conditions not being met.

(c) Reserves

The nature and purpose of the reserves are as follows:

Share-based reserve
The share-based payments reserve is used to recognise the grant date fair value of options issued to employees but not yet exercised.

Currency translation reserve
Exchange differences arising on translation of the foreign controlled entity are taken to the currency translation reserve, as described in note 2. The reserve is recognised in profit or loss when the net investment is disposed of.

Financial assets reserve
The financial assets reserve recognises the gains and losses in fair value for those financial assets not held for trading and wherein an irrevocable election has been made to recognise fair value changes in other comprehensive income.

Asset revaluation reserve
The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in note 2.

Capital profits reserve
The capital profits reserve arose from the consolidation of business interests in 2001.

(d) Capital risk management

The Group's and parent entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt (borrowings and trade and other payables less cash and cash equivalents) divided by total capital.

The gearing ratios at 30 June 2010 and 2009 were as follows:

	Consolidated	
	2010 $000	2009 $000
Total borrowings	14,931	21,202
Less: cash and cash equivalents	(774)	(797)
Net debt	14,157	20,405
Total equity	22,526	19,301
Total capital	**36,683**	**39,706**
Gearing ratio	**39%**	**51%**

17. Particulars in relation to controlled entities

Name of entity	Place of Incorp.	Class of Share	Economic Entity Interest 2010 %	Economic Entity Interest 2009 %
Parent entity:				
Aspermont Limited	NSW			
Controlled entities:				
International Laser Finance Pty Ltd *	NSW	Ord	100	100
Financial & Intellectual Capital Ltd *	VIC	Ord	100	100
Aspermont Investments Pty Ltd *	NSW	Ord	100	100
International Intellectual Capital Ltd *	NSW	Ord	100	100
Long Term Intellectual Capital Pty Ltd *	NSW	Ord	100	100
N & K Technology Investments Pty Ltd *	VIC	Ord	100	100
Regal Focus Pty Ltd *	WA	Ord	100	100
Resourceful Events Pty Ltd	NSW	Ord	100	100
Corporate Intelligence & Communications Pty Ltd	WA	Ord	100	100
Aspermont UK Limited	UK	Ord	100	100
The Mining Journal Limited *	UK	Ord	100	100
Mining Journal Books Limited *	UK	Ord	100	100

* The investments in these non-trading subsidiary companies have been provided for in full and are written down to nil.

18. Cash flow information

	Consolidated	
	2010 $000	2009 $000
(a) Reconciliation of cash and cash equivalents		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:		
Cash at bank and on deposit	774	797
	774	**797**
(b) Reconciliation of operating profit/ (loss) after tax to net cash provided by operating activities		
Profit/ (loss) after income tax	1,076	(484)
Non-cash flows in profit/ (loss)		
Profit on sale of non-current assets	(1,072)	(312)
Depreciation	475	945
Write-downs to recoverable amount	–	216
Share of profit of associates	(306)	(70)
Shares consideration received	(48)	–
Exchange rate movements	(26)	(86)
Unrealised gains on investments	(592)	(654)
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(472)	1,808
(Increase) decrease in prepayments	(70)	124
(Decrease) increase in creditors & accruals	(355)	318
(Decrease) increase in unearned revenue	311	(657)
Increase (decrease) in provisions current	(24)	75
Increase (decrease) in provisions non-current	14	44
Increase (decrease) in income taxes payable	44	459
Increase (decrease) in deferred taxes payable	208	(543)
Increase (decrease) in short-term borrowings	(6)	(21)
Increase (decrease) in long-term borrowings	(23)	(31)
Net cash provided/ (used in) operating activities	**(866)**	**1,131**

Non-cash financing for the year included $520,000 of investment securities provided to directors to offset loans outstanding to the Group – as described in note 19.

19. Key management personnel and related parties disclosures

(a) The following were key management personnel of the consolidated entity during the reporting period and unless otherwise indicated were employed by the parent entity:

Directors	
Mr. A.L. Kent	Chairman and Executive Director
Mr. L.G. Cross	Non-Executive Director
Mr. J. Stark	Non-Executive Director
Mr. C. O'Brien	Chief Executive Officer (Group) and Executive Director
Mr. D. Nizol	Chief Executive Officer (UK) and Executive Director
Mr. C. Nader	Non-Executive Director
Executives	
Mr. J. Detwiler	Chief Financial Officer & Company Secretary
Mr. C. Bond	Chief Operating Officer
Mr. M. Davies	Group Strategy and Consulting

(b) Key management personnel compensation

	Consolidated	
	2010 $000	2009 $000
Short-term employee benefits	1,523	1,156
Post-employment benefits	99	142
	1,622	1,298

Detailed remuneration disclosures are provided in the audited remuneration report on pages 20-25 of the Directors' Report.

(c) Options and rights holdings held by directors and executives

The numbers of options over ordinary shares in the Company held during the financial year by each director and other key management personnel, including their personally related parties, are set out below:

2010	**Balance 1/07/2009**	**Received as Remuneration**	**Exercised**	**Expired**	**Balance 30/06/2010**
Directors					
Mr. A.L. Kent and beneficial interests	9,000,000	–	–	(9,000,000)	–
Mr. C.J. O'Brien	1,000,000	–	–	–	1,000,000
Executives					
Mr. H. Thong	500,000	–	–	(500,000)	–

2009	**Balance 1/07/2008**	**Received as Remuneration**	**Exercised**	**Expired**	**Balance 30/06/2009**
Directors					
Mr. A.L. Kent and beneficial interests	9,000,000	–	–	–	9,000,000
Executives					
Mr. C. O'Brien	1,000,000	–	–	–	1,000,000
Mr. H. Thong	500,000	–	–	–	500,000

(d) Number of shares held by directors and executives

The number of shares in the Company held during the financial year by each director and other key management personnel, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

2010	Balance 1/07/2009	Net change purchased or (sold)	Balance 30/06/2010
Directors			
Mr. A.L. Kent and beneficial interests	110,100,000	6,825,000	116,925,000
Mr. J. Stark and beneficial interests	23,169,943	1,525,057	24,695,000
Mr. L.G. Cross and beneficial interests	1,600,000	100,000	1,700,000
Mr. C. O'Brien and beneficial interests	1,500,000	75,417	1,575,417
Mr. D. Nizol and beneficial interests	1,600,567	100,036	1,700,603
Executives			
Mr. C. Bond and beneficial interests	500,000	–	500,000
Mr. M. Davies and beneficial interests	21,275	1,330	22,605

2009	Balance 1/07/2008	Net Change purchased or (sold)	Balance 30/06/2009
Directors			
Mr. A.L. Kent and beneficial interests	110,200,000	(100,000)	110,100,000
Mr. J. Stark and beneficial interests	23,051,593	118,350	23,169,943
Mr. L.G. Cross and beneficial interests	1,600,000	–	1,600,000
Executives			
Mr. C. O'Brien and beneficial interests	1,500,000	–	1,500,000
Mr. C. Bond and beneficial interests	500,000	–	500,000
Mr. M. Davies and beneficial interests	21,275	–	21,275
Mr. D. Nizol and beneficial interests	1,600,567	–	1,600,567
Mr. H. Thong and beneficial interests	48,476	–	48,476

(e) Transactions with key management personnel

Transactions between key management personnel are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(f) Loans from director related entities

Loans from related parties are set out below. These are unsecured at interest of 8.05% to 9.25%. Repayment of related party loans is subject to repayment conditions and precedent by the ANZ.

	Consolidated 2010 $000	Consolidated 2009 $000
Beginning of year	(2,851)	(2,394)
Loans received	(759)	(211)
Loan repayments	572	–
Interest charged	(358)	(246)
End of year	(3,396)	(2,851)

(g) Other transactions

	Consolidated	
	2010 $000	2009 $000
The following fees were paid based on normal commercial rates for work performed:		
Payment to CrossCorp Accounting, an accounting practice associated with a director, Mr. L.G. Cross.	15	2
Payment to Ileveter Pty Ltd associated with a director, Mr. A.L. Kent, for office accommodation.	436	408

The Company re-entered into an office lease agreement with Ileveter Pty Ltd, a company associated with Mr. A.L. Kent, on 31 March 2009. The terms of the lease are within normal commercial rates and were determined by independent valuers and approved by the independent directors.

(h) Events subsequent to balance date – contingent liability

In September 2010 the Board of Directors of Aspermont Limited formed an independent committee to address a request for compensation that came from two members of the Board, Mr. Andrew Kent and Mr. John Stark. See note 24 for a summary of this matter.

20. Financial risk management

In the normal course of its operations, the consolidated entity is exposed to a variety of financial risks, including market risk, credit risk and liquidity risk.

The consolidated entity's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the business. The consolidated entity does not use derivative financial instruments such as foreign exchange contracts to hedge certain risk exposures. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

Risk management is carried out by the management team within the parameters thought prudent by the Audit & Risk Committee of the Board.

(a) Market risk

(i) Foreign exchange risk

The consolidated entity operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United Kingdom pound and to a lesser extent the US dollar and the euro.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the consolidated entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The consolidated entity has approximately half of its revenues and business activities in United Kingdom pound functional currency entities. The remaining half is in Australian dollar functional currencies. Both the United Kingdom and Australian operations have small amounts of US dollar and euro revenue and expense transactions in their operations. The United Kingdom pound results are then translated into the Australian dollar for consolidated reporting in Australian dollars.

Management has instituted a policy requiring group companies to manage their foreign exchange risk against their functional currency. The Group companies are required to bring significant foreign currency transactions to the attention of the central finance function for evaluation, if they occur.

At 30 June 2010, had the Australian dollar weakened/strengthened by 10% against the United Kingdom pound with all other variables held constant, post-tax profit for the year would have been $73,000 higher/lower, mainly as a result of the change in value of the net income earned by entities in the Group with the United Kingdom pound as their functional currency.

Equity would have been $278,000 higher/lower had the Australian dollar weakened/ strengthened by 10% against the United Kingdom pound arising mainly as a result of the change in value of the net equity of entities in the Group with the United Kingdom pound as their functional currency.

The consolidated entity has revenues and resulting trade and other receivables in non-functional currencies as follows:

	USD	EUR	USD	EUR
	2010 $000	2010 $000	2009 $000	2009 $000
Financial assets				
Trade and other receivables	217	92	283	119
	217	92	283	119

Based on the financial instruments held by the consolidated entity as at the reporting date, the sensitivity of the consolidated entity's profit/(loss) after tax for the year and equity at the reporting date to movements in the Australian dollar to US dollar and Australian dollar to euro exchange rates was:

- Had the Australian dollar weakened/strengthened by 5% against the US dollar with all other variables remaining constant, the consolidated entity's profit after tax would have been $92,000 lower/higher (2009: $146,000 lower/higher).
- Had the Australian dollar weakened/strengthened by 5% against the euro with all other variables remaining constant, the consolidated entity's profit after tax would have been $39,000 lower/higher (2009: $62,000 lower/higher).

(ii) Equity price risk

The consolidated entity is exposed to equity securities price risk arising from investments classified on the statement of financial position as financial assets measured at fair value. Investments in equity securities are approved by the Board on a case-by-case basis.

The table below illustrates the potential financial impact of changes in equity securities price for the parent entity's major holdings. Changes in market valuation from balance sheet date to balance sheet date are reflected in other income in the statement of comprehensive income for the year.

Major Listed Equities	Valuation at 30 June 2010	Valuation at 12 month low	Valuation at 12 month high
	2010 $000	2010 $000	2010 $000
Excalibur Mining Limited (ASX: EXM)	140	105	770
New Guinea Energy Limited (ASX: NGE)	3,520	1,498	5,054
	3,660	1,603	5,824

(iii) Cash flow and interest rate risk

The consolidated entity's main interest rate risk arises from short and long-term borrowings.

Borrowings at variable rates expose the consolidated entity to cash flow interest rate risk and borrowings at fixed interest rates expose the consolidated entity to fair value interest rate risk.

The consolidated entity's secured bank borrowings are in Australian dollars at variable interest rates tied to the BBSY. The consolidated entity's finance lease liabilities and loans from related parties are at fixed interest rates.

The consolidated entity analyses its interest rate exposure on a dynamic basis. Various interest rate shifts are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and potential hedging. Based on these interest rate shifts, the consolidated entity calculates the impact on profit or loss.

The following table summarises the variables underlying the sensitivity of the consolidated entity's financial assets and liabilities to interest rate risk:

Consolidated entity	Weighted average interest rate	Balance	Weighted average interest rate	Balance
	2010 %	2010 $000	2009 %	2009 $000
Financial assets				
Cash and cash equivalents	1.31%	774	2.65%	797
Financial liabilities				
Bank loan	7.96%	7,500	7.96%	11,000
Other borrowings	8.59%	3,448	8.59%	3,085

The consolidated entity has and intends to continue to reduce its borrowings, so cash balances are not accumulated and there is little sensitivity to cash deposit rates. If interest rates increase/decrease by 1%, with all other variables remaining constant, the consolidated entity's profit after tax would have been $65,000 lower/higher (2009: $77,000 lower/higher) as the result of interest expense on the Group's bank borrowings.

(b) Credit risk

Credit risk is the risk that a counterparty will not complete its obligations under a financial instrument resulting in a financial loss for the consolidated entity. Credit risk is managed co-operatively by the finance function and operations for customers, including receivables and committed transactions and at the consolidated entity level for credit risk arising from cash and cash equivalents, deposits with banks and financial institutions. The consolidated entity does not generally obtain collateral or other security to support financial instruments subject to credit risk, but adopts a policy of only dealing with credit-worthy counterparties.

All cash balances are on deposit and are with the major banking institutions.

(c) Liquidity and capital risk

The consolidated entity's total capital is defined as the shareholders' net equity plus net borrowings, and amounted to $33 million at 30 June 2010 (30 June 2009: $34 million). The objectives when managing the economic entity's capital is to safeguard the business as a going concern, to maximise returns to shareholders and to maintain an optimal capital structure in order to reduce the cost of capital.

The consolidated entity does not have a target debt/equity ratio, but has a policy of maintaining a flexible financing structure so as to be able to take advantage of investment opportunities when they arise.

The consolidated entity's liquidity position is managed to ensure sufficient liquid funds are available to meet its financial obligations in a timely manner. The consolidated entity manages liquidity risk by continuously monitoring forecast and actual cash flows, and ensuring that the consolidated entity has the ability to access required funding. The consolidated entity maintains backup liquidity for its operations and currently maturing debts through its financial asset portfolio.

The consolidated entity must maintain two covenants relating to the bank variable rate commercial bill facility, for which a compliance certificate must be produced attesting to monthly minimum revenue and earnings before interest, taxes, depreciation and amortisation (EBITDA) amounts.

The tables below analyse the consolidated entity's financial liabilities into maturity groupings based on the remaining period from the balance date to the contractual maturity date. As amounts disclosed in the table are the contractual undiscounted cash flows including future interest payments, these balances will not necessarily agree with the amounts disclosed on the statement of financial position.

Consolidated entity as at 30 June 2010

	Less than 6 months	6 to 12 months	Between 1 and 2 years	Between 2 and 5 years	Total Contractual Cash Flows	Carrying Amount
	$000	$000	$000	$000	$000	$000
Non-derivatives						
Trade and other payables	2,838	607	-	-	3,445	3,445
Borrowings	2,062	1,099	6,100	3,455	12,716	10,912
	4,900	1,706	6,100	3,455	16,161	14,357

Consolidated entity as at 30 June 2009

	Less than 6 months	6 to 12 months	Between 1 and 2 years	Between 2 and 5 years	Total Contractual Cash Flows	Carrying Amount
	$000	$000	$000	$000	$000	$000
Non-derivatives						
Trade and other payables	4,814	1,172	-	-	5,986	5,986
Borrowings	15	15	6,186	9,000	15,216	15,216
	4,829	1,187	6,186	9,000	21,202	21,202

Interest payments are included in the borrowing amounts above and are projected using interest rates applicable at 30 June 2010 and 2009. As the bank borrowings are subject to variable interest rates, future interest payments are subject to change in line with market changes.

(d) Financial assets and liabilities by category

The financial instruments consist mainly of deposits with banks, accounts receivable and payable, bank loans, related party loans and leases. Investments accounted for using the equity method are excluded from the information provided below:

Consolidated	2010 $000	2009 $000
Financial assets		
Cash and cash equivalents	774	797
Trade and other receivables	3,066	2,925
Listed securities	3,877	3,575
Unlisted securities	2,732	5,228
Other	35	–
	10,484	12,525
Financial liabilities		
Trade and other payables	3,445	5,986
Borrowings	10,912	15,216
	14,357	21,202

The fair value of cash and cash equivalents, trade and other receivables, and trade and other payables is considered to be a reasonable approximation of their fair value due to their short-term nature. The fair value of borrowings as at the reporting date is considered to be a reasonable approximation of their fair value.

(e) Reclassification of financial assets at the date of initial application of AASB 9

The following table shows the classification and carrying amount of the Group's financial assets on 1 July 2009 (the date the Group first applied AASB 9) as they were previously classified under AASB 139 and as they now appear on initial application of AASB 9.

	Note	AASB 139	AASB 9	Original carrying amount under AASB 139	New carrying amount under AASB 9
Financial assets classified as held for trading	i	Fair value through profit or loss	Fair value through profit or loss	3,575	3,575
Equity securities presenting gains or losses in other comprehensive income	ii	Fair value through profit or loss	Fair value through other comprehensive income	5,228	5,228

(i) These equity instruments are classified as fair value through profit or loss. The Group believes that this best reflects its intentions with regards to these investments.

(ii) These equity investments represent investment holdings that the Group intends to hold for the longer term. Accordingly, the Group has determined that it is appropriate to use the election in AASB 9 to recognise these instruments at fair value through other comprehensive income.

21. Segment information

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

Segment Reporting	Print		Online		Conferencing		Investments	
	AUS	UK	AUS	UK	AUS	UK	AUS	Total
2010	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue								
Sales	5,963	6,050	3,304	254	1,368	3,966	–	20,905
Other revenue	34	–	46	–	2	–	1,860	1,942
Total segment revenue	5,997	6,050	3,350	254	1,370	3,966	1,860	**22,847**
Result								
Segment result	853	2,640	225	(145)	181	1,461	1,860	**7,075**
Assets and liabilities								
Segment assets	22,735	3,576	3,041	(197)	6,471	1,979	6,608	**44,213**
Corporate assets								1,565
Total assets								**45,778**
Segment liabilities	4,413	1,603	2,445	67	581	1,051	551	**10,711**
Corporate liabilities								12,541
Total liabilities								**23,252**
Other segment information								
Investment in associates (note 9)	1,784	–	–	–	–	–	–	**1,784**
Share of net profits of associates (note 9)	(35)	–	–	–	341	–	–	**306**
Acquisitions property, plant & equipment	–	11	–	–	5	7	–	23
Depreciation and amortisation expense	62	12	261	112	20	8	–	475

Segment Reporting	Print		Online		Conferencing		Investments	
	AUS	UK	AUS	UK	AUS	UK	AUS	Total
2009	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue								
Sales	6,979	6,946	3,249	201	1,419	4,258	–	23,052
Other revenue	33	–	110	–	5	–	966	1,114
Total segment revenue	7,012	6,946	3,359	201	1,424	4,258	966	**24,166**
Result								
Segment result	572	2,634	(1,346)	(177)	(60)	1,749	966	**4,338**
Assets and liabilities								
Segment assets	22,115	3,219	3,184	(217)	8,514	2,246	7,883	**46,944**
Corporate assets								1,702
Total assets								**48,646**
Segment liabilities	6,034	1,669	2,809	48	517	1,045	823	**12,945**
Corporate liabilities								16,400
Total liabilities								29,345
Other segment information								
Investment in associates (note 9)	344	–	–	–	2,182	–	–	**2,526**
Share of net profits of associates (note 9)	(10)	–	–	–	80	–	–	**70**
Acquisitions property, plant & equipment	622	100	289	3	–	63	–	**1,077**
Depreciation and amortisation expense	503	125	234	4	–	78	–	**945**

Reconciliation of reportable segment profit or loss:

	2010 $000	2009 $000
Total profit for reportable segments	7,075	4,338
Other income	120	563
Overheads	(4,423)	(4,235)
Interest	(1,038)	(1,208)
Consolidated profit/ (loss) before income tax from continuing operations	1,734	(542)

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

The segments derive revenue from the following products and services:

- The print division derives subscription and advertising revenues from traditional print publications across a number of trade sectors including mining, construction, energy and the resources sector.
- The internet media segment develops and maintains websites and daily news services covering various sectors including mining, energy, construction and longwalls. Revenue is derived from subscription, advertising and sponsorships.
- The conferencing division derives revenues from running events and holding conferences in various locations and across a number of sectors.
- The investment division receives revenue from advisory fees and general investment income including fair value gains/losses on share investments held.

These segments are the basis on which the Group reports its segment information.

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

Segment assets and liabilities:
Segment assets include all assets used by a segment and consist principally of receivables and property, plant and equipment, net of allowances and accumulated depreciation and amortisation. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of accounts payable, wages and accrued expenses. Segment assets and liabilities do not include deferred income taxes.

Inter-segment transfers:
There are no inter-segment transactions at this time.

22. Earnings/ (loss) per share (EPS)

	Consolidated	
	2010	2009
(a) Basic earnings/ (loss) per share (cents per share)	0.46	(0.22)
(b) Diluted earnings/ (loss) per share (cents per share)	0.46	n/a
(c) Earnings/ (loss) used in calculating earnings per share		
Profit/ (loss) attributable to the ordinary equity holders of the company used in calculating basic earnings per share	1,076	(484)
Profit/ (loss) attributable to the ordinary equity holders of the company used in calculating diluted earnings per share	1,076	(484)
(d) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	233,281,096	217,358,509
Options	–	–
Weighted average number of ordinary shares outstanding during the year used in calculation of diluted EPS	233,281,096	217,358,509

Options granted to employees under the employee option scheme are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent they are dilutive. Details relating to the options are set out in note 16.

All options outstanding at 30 June 2010 and 30 June 2009 were anti-dilutive and therefore excluded from the diluted earnings per share calculations.

23. Capital and leasing commitments

	Consolidated	
	2010 $000	2009 $000
Finance lease commitments		
Payable – Minimum lease payments		
Not later than 12 months	38	44
Between 12 months and 5 years	117	153
Greater than 5 years	–	–
	155	197
Minimum lease payments	155	197
Less future lease charges	(23)	(35)
Present value of minimum lease payments	132	162
Operating lease commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Not later than 12 months	730	653
Between 12 months and 5 years	824	1,421
	1,554	2,074

The operating lease commitments relate to the following:

- A property lease at 613-619 Wellington Street, Perth, Western Australia which is a non-cancellable lease with a three-year term that commenced in April 2009.
- A property lease at Albert House, 1 Singer Street, London, United Kingdom which is a non-cancellable lease with a nine-year term that commenced in July 2004.

24. After balance date events

In September 2010 the Board of Directors of Aspermont Limited formed an independent committee to address a request for compensation that came from two members of the Board, Mr. Andrew Kent and Mr. John Stark.

The independent committee is reviewing and assessing transactions that occurred in 2006 with respect to investments made by Aspermont in debt and equity instruments of Mining Communications Limited (MCL). Aspermont made investments in MCL over a period of time beginning in January 2006 that led to the complete acquisition of MCL in June 2008. Some of these investments were made with financial support from Mr. Kent and Mr. Stark.

The maximum amount of the claims could be $1.1 million. This has not been brought to account in these financial reports.

The Company makes no admission with respect to the claims. As noted, the independent committee is considering the claims and how they may be resolved.

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. The financial statements and notes thereto are in accordance with the *Corporations Act 2001* and:

   a) comply with Accounting Standards and the Corporations Regulation 2001; and

   b) give a true and fair view of the financial position as at 30 June 2010 and of the performance for the year ended on that date of the consolidated entity.

2. The Chief Executive Officer and the Company Secretary have each declared that:

   a) The financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*:

   b) The financial statements and notes for the financial year comply with the Accounting Standards; and

   c) The financial statements and notes for the financial year give a true and fair view.

3. The consolidated entity has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

4. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Dated this 30th day of September 2010

C. O'Brien
Director

Tel: +8 6382 4600
Fax: +8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASPERMONT LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Aspermont Limited, which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements,* that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* would be in the same terms if it had been given to the directors at the time that this auditor's report was made.

Basis for Qualification

Included in Aspermont Ltd's statement of financial position as at 30 June 2010 are investment associates Kondinin Information Services Pty Ltd and WME Media Pty Ltd which are accounted for under the equity method and are carried at $1,411,000 and $371,000, respectively. Aspermont Ltd's share of Kondinin Information Services Pty Ltd and WME Media Pty's net income/(loss) of ($63,000) and $28,000 respectively are included in Aspermont Ltd's statement of comprehensive income for the year then ended. We were unable to obtain sufficient appropriate audit evidence to verify the accuracy of Aspermont Ltd's share of Kondinin Information Services Pty Ltd and WME Media Pty's net income/(loss) for the year because we were unable to gain access to the financial information, management and the auditors of Kondinin Information Services Pty Ltd and WME Media Pty. Consequently, we were unable to determine whether any adjustments to these amounts were necessary. Given this limitation of scope we cannot, and do not express an opinion on results of the associates included in the statement of comprehensive income for the year ended 30 June 2010, or any consequential impact it may have on the carrying value of the investments.

Qualified Opinion

In our opinion, except for the possible effects of the limitation of scope described in the Basis for Qualified Opinion paragraph, if any;

(a) the financial report of Aspermont Limited is in accordance with the *Corporations Act 2001*, including:
    (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and of performance for the year ended on that date; and
    (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2010. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Aspermont Limited for the year ended 30 June 2010, complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

BDO

Brad McVeigh
Director

Perth, Western Australia
Dated this 30 day of September 2010

The following additional information is required by the Australian Securities Exchange Limited in respect of listed companies:

a) Shareholding

Ordinary Share Capital

236,710,493 (2009: 229,377,159) shares are held by 383 (2009: 363) individual holders. All issued ordinary shares carry one vote per share.

Distribution of Shareholders

	Ordinary shares	
Category (size of holding)	2010	2009
1 – 1,000	46	37
1,001 – 5,000	32	30
5,001 – 10,000	81	84
10,001 – 100,000	124	123
100,001 – and over	100	89
	383	363

The number of shareholdings held with less than marketable parcel is 68 (2009: 55).

b) Share Options (Unquoted)

Number of Options	Number of Holders	Exercise Price	Date of Expiry
1,000,000	1	22.5c	30/09/2010

c) Company Secretary

The name of the Company Secretary is Mr. John Detwiler.

d) Principal Registered Office

The address of the principal registered office in Australia is:

613-619 Wellington Street, Perth, WA 6000
Ph +61 8 6263 9100

e) Register of Securities

The register of securities is held at the following address:

Advanced Share Registry
150 Stirling Highway, Nedlands, WA 6009

f) Stock Exchange Listing

Quotation has been granted for all of the ordinary shares of the Company on all member exchanges of the Australian Securities Exchange Limited.

g) Substantial Shareholders

	Name	Number of Ordinary fully paid shares held	% Held of Issued Ordinary Capital
1	Mr. Andrew Kent and beneficial interests	116,925,000	49.40%
2	Mr. John Stark and beneficial interests	24,695,000	10.43%
3	Cannavo Investments Pty Ltd	11,000,000	4.65%

h) 20 Largest Shareholders – Ordinary shares

	Name	Number of Ordinary fully paid shares held	% Held of Issued Ordinary Capital
1	Drysdale Investments Limited	107,312,500	45.33%
2	Cannavo Investments Pty Ltd	11,000,000	4.65%
3	Annis Trading Limited	9,562,500	4.04%
4	Mr. John Stark & Mrs. Julie Stark	9,360,000	3.95%
5	Allan Dale Real Estate Pty Ltd	8,585,000	3.63%
6	National Nominees Limited	5,201,385	2.20%
7	Allan Dale Holdings Pty Ltd	5,150,000	2.18%
8	Mr. Alan Cowen	5,032,918	2.13%
9	HSBC Custody Nominees (Australia) Limited	4,784,756	2.02%
10	Mr. Robert Barrowman	4,506,688	1.90%
11	A & C Gal Investments Pty Limited	4,341,000	1.83%
12	Mr. Robert Miller	3,481,353	1.47%
13	Chepan Pty Ltd	3,210,000	1.36%
14	Mr. Rhoderic Charles Whyte	3,000,000	1.27%
15	Yarandi Investments Pty Ltd	2,321,412	0.98%
16	Mr. Yeak Hui Tan	2,081,746	0.88%
17	Dr. Carole Anne Jones	2,000,000	0.84%
18	B F A Pty Ltd	1,950,000	0.82%
19	Mr. David Nizol	1,700,603	0.72%
20	Mr. Thomas George Klinger	1,637,241	0.69%
		196,219,102	**82.89%**

NOTES

AUSTRALIA

PERTH
HEAD OFFICE

613-619 Wellington St
PERTH, Western Australia 6000

T | +61 8 6263 9100
F | +61 8 6263 9148

www.aspermont.com

SYDNEY

Level 4, 36 Carrington St
SYDNEY, New South Wales 2000

T | +61 2 9279 2222
F | +61 2 9279 2477

www.resourcefulevents.com

UK/EUROPE/AMERICAS

ASPERMONT UNITED KINGDOM

Albert House, 1 Singer St
LONDON, United Kingdom, EC2A 4BQ

T | +44 (0) 20 7216 6060
F | +44 (0) 20 7216 6050

www.mining-journal.com