Aspermont

Information for Industry

ABN: 66 000 375 048

ANNUAL REPORT

For the financial year ended

30 September 2018

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CORPORATE DIRECTORY

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

Company Secretary
David Straface

Key Management Personnel
Alex Kent – Managing Director, Group
Nishil Khimasia – Chief Financial Officer, Group
Ajit Patel – Chief Operating Officer, Group
Matt Smith – Chief Commercial Officer, Group

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Stephen Roy Webster
11/37 Bligh Street
Sydney NSW 2000

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

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

Bankers
National Australia Bank Group
197 St Georges Terrace
Perth WA 6000

Investor Relations
Pegasus Corporate Advisory
Level 16, 1 Market Street
Sydney 2000

ASX Limited

ASX Code: ASP

Overview

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

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

Aspermont is growing its top line revenues and bottom line profits with improving gross margins.

The Company has entered a new and accelerating growth phase.

Performance versus Guidance

The Company's previous guidance for FY18 was for:

1. Strong top line growth
2. Improvement in all its key SaaS metrics
3. Successful launch of new Events and Research & Data businesses
4. Expanding gross profit margins
5. Normalised earnings being positive but flat, reflecting continued investment in the business.

The Directors are pleased to advice at the full year that Aspermont's has delivered exactly that.

The results for the twelve months ended 30 September 2018 reflect the significant improvement in Aspermont's financial performance and outlook.

Key Financial Highlights

Year Ended 30 September	2018	2017[(1)]	Improvement[(2)]
Total Revenue	**$14.0**	**$11.6m**	**+21%**
Subscriptions Revenue	*$5.7*	*$4.7m*	*+21%*
Digital Advertising Revenue	*$3.0*	*$2.8m*	*+7%*
Print Advertising Revenue	*$4.0*	*$3.9m*	*+3%*
Research & Data	*$0.15*	*$0.06*	*+150%*
Events Revenue	*$1.2*	*$0.1m*	*+1100%*
Gross Margins	54%	46%	+8%
EBITDA[(3)]	$0.2m	$0.1m	+100%
Cash Flow From Operating Activities[(3)]	$0.6m	$0.1m	+500%

(1) *Based on unaudited management accounts.*
(2) *Growth figures are at constant currency.*
(3) *EBITDA and Net Cash from Operating Activities figures are normalised (refer Appendix 1).*

During 2017, Aspermont changed its financial year end to 30 September from 30 June. As a consequence, the statutory prior reporting period in the consolidated financial statements covers the 15 months ended 30 September 2017.

However, the Directors believe a more meaningful prior period is the directly corresponding 12 month period ended 30 September 2017. Accordingly, the Directors have presented in this highlights section figures for the 12 months ended 30 September 2017. These figures are based on internal management accounts that have not been audited.

Key Achievements

- Completion of operational restructure
- Total revenue growth of 21% to $14.0m and accelerating
- Strong growth in subscriptions revenues and in Lifetime Values
- Digital advertising revenues up
- Print successfully repositioned as a premium product and back in growth
- Improvement in reported and normalised EBITDA profitability
- Strong lift in normalized cash flow from operating activities
- Successful launch of new Events business and new Research & Data division.

Key Subscriptions Metrics

Key Subscriptions SaaS Metrics	As at 30 Sept 2018	As at 30 Sept 2017	12 months Growth
Number of Subscriptions	8,195	7,956	3%
Average Revenue Per Unit (ARPU)	$832	$735	13%
Annual Contract Value (ACV)	$6.8m	$5.9m	15%
Web Traffic (Sessions)	4.7m	4.5m	4%
Web Traffic (Users)	1.9m	1.6m	19%
Loyalty Index	61%	57%	7%
Renewal Rate	84%	79%	6%
Lifetime Years(1)	6.2	4.8	29%
Lifetime Value(2)	$42.2	$28.2m	50%

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

The Directors are pleased to report that in the twelve months since 30 September 2017, all key SaaS metrics have grown strongly as they have done over the last few years.

In the last 12 months the business has continued to develop its content quality and audience depth in existing subscription accounts. The success of those strategies can be seen in the rising price per subscriptions (ARPU +13%) at the same time as an expanding readership base (Users +19%).

We have also continued to invest in our automated marketing systems whose continuous process improvements are shown well by rising customer engagement (Loyalty Index +7% & Session +4%).

Combining this performance in content and marketing thus drives the highly significant increase in our subscriber renewal rates (+6%) which in turn extends the longevity of our subscriptions (Lifetime Years +29%) and therein the future values to the business (Lifetime Value +50%).

The Lifetime value of our existing subscriptions now stands at $42m while Aspermont's total market capitalisation sits at below half of that figure.

Upward Momentum sustained since strategy implemented in 2015/16

Many of the company's key strategies have been in place for a number of years. The present senior management team began at Aspermont in FY16. Comparing the position of the business then to what it is at the close of FY18 underlines the sustained improvement in all key aspect of the Company.

The Company expects to see this momentum continuing to build in FY19.

		Sept 2018	June 2016[1]
Subscriptions	Orders	**8,195**	7,158
	Renewal Rate (Volume)	**81%**	73%
	Annual Contract Value	**$6.8m**	$4.5m
	Lifetime Value	**$42.2m**	$16.5m
	Users	**1.9m**	1.1m
Financials	Revenue *(Continuing Ops)*	**$14.0m**	$12.5m
	Normalised EBITDA	**$0.2m**	($1.1m)
	Normalised Cashflow from Operations	**$0.6m**	($0.3m)
	Debt	**$0.0m**	$8.2m

[1] Based on unaudited management accounts.

Financial Position

The Company successfully completed a $2.1m capital raising in April 2018 (net cash $1.9). The Directors appreciate the endorsement and support of existing and new shareholders. Aspermont has no net debt and the funds raised will be used to accelerate the Company's growth strategy.

At year end, the Company has a cash balance in excess of $2m despite its significant investment in organic business drivers.

Specific Investment Areas

Development of a fully fledge People strategy is central to Aspermont's long term growth ambitions. The Company's recently capital raising will enable the Company to continue its investment in new products and services and also to assist with further recruitment of talent.

The Company announced the appointment of a Chief Commercial Officer, in August 2018, and intends to build further depth in both its senior management and operational resources during FY19.

Outlook

Aspermont has been reinvigorated through its business transformation and the completion of its operational restructure. The Company's digital media platform (Project Horizon) is now fully in play. Aspermont is set to maximise returns as a result of the resurgence of the global resources industry, to which it is the leading media services provider, and the pursuit of three primary short-term growth drivers:

1. Offering new product solutions in complementary industry sectors such as agriculture, energy and technology
2. Expanding the business across multiple geographies
3. Leveraging the Company's platform and digital media expertise with the recent launch of the new Events business and the Research & Data division.

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

Significantly, all of Aspermont's existing revenue classes are growing with expanding gross profit margins: strong subscriptions revenue growth is expected to continue alongside improvement in all its key SaaS metrics. Growth in advertising in both digital and print format is also expected to accelerate in the forthcoming year.

In Events, Aspermont is experiencing extremely high levels of growth which are expected to continue in the current financial year. At the time of publication of this report the Company's 100% owned Events business has generated $2.5m+ of new revenue since the launch of its inaugural product ('Future Of Mining' - Sydney) some 6 months ago. There is a high level of development and new launch activity in the Events area for the forthcoming year.

Summary of FY19 expectations:

- High topline growth
- All revenue classes to remain in growth
- Significant improvement across the board in key SaaS metrics
- Gross and net margins to continue expanding
- Strong profitability and cash flow improvements

Board & Leadership Team

Alex Kent Managing Director

Since joining the company in 2007, Mr Alex Kent has worked across all divisions of Aspermont Group. During this time, he has built up an extensive knowledge of its product portfolio and been a key influencer in the overall business vision. He is currently the Group's Managing Director but has held previous executive roles in both marketing and digital strategy.

Having previously graduated through Microsoft's Executive Academy and with a double honours degree in Economics, Accounting and Business Law, Mr Alex Kent brings further depth to the Aspermont board and operations as the Group continues its digital evolution.

Mr Alex Kent joined the board as an Executive Director and holds a number of other private company directorships.

Comment:

"Having transformed itself over the last three years; at almost every level of the organisation Aspermont has a unique opportunity to deliver high growth over the next few years both from a revenue, earnings and a shareholder value perspective.

That growth will be achieved through the development of our core business, leveraging that model into new markets and identifying targeted acquisition where they fit our overall strategy and provide earning accretive results.

The company's long-term vision may not have changed since 2003 but the capacity, capability and focused approach to delivery today are markedly different.

We have built an exceptional team within the business not just at the management levels but throughout the entire organisation. Focusing on people, skills and capacity will hallmark our development as a company going forward.

Having worked at Aspermont since 2007 there has never been a more exciting time. It is now all about focus and delivery."

Ajit Patel Chief Operating Officer

Ajit has more than 30 years of experience in the media industry, working across print and digital media, events and market research. Before joining Aspermont in 2013, he worked for Incisive Media in London, where he was responsible for infrastructure, software development, online strategy, vendor management and large scale systems implementation. Ajit is responsible for Aspermont's online strategy implementation, IT, Production & Marketing functions and all external providers. His role reflects the Group's priority to further strengthen its online presences and internal systems.

Comment:

"I came to Aspermont because I saw an opportunity for the company to truly dominate a global industry the size that mining is, from an end to end media perspective. Moreover and despite its size, Aspermont had demonstrated technological leadership in both digital subscriptions and paywall solutions, which had been implemented before any other media company was even thinking this way.

The company had a clear vision of how it wanted to develop both as a business and technologically and given my experience in building similar models and platforms at Incisive Media and VNU (now Nielsen) I believe I could help them realise that vision with the knowledge that their Executive team knew exactly it would be a total transformation of the business and culture to enable us to deliver on the ambitions.

Project Horizon (PH) was the architecture to help Aspermont build a technological framework that would enable it to meet it business goals. With the rollout of all brands onto that platform we have already seeing great growth in subscriptions and digital revenues.

What excites me most about Aspermont is the fact the we have only just started the journey with our market leading content and there are so many products and facets we can bring into our media solution that will enhance profitability not just in mining but all the other sectors we scale to."

Nishil Khimasia Chief Financial Officer

Mr Khimasia has significant and relevant experience in financial management, business development and transformation in entrepreneurial growing companies in the global B2B sector. Over the past 8 years Mr Khimasia held CFO and General Management positions at Equifax UK & Ireland, part of Equifax Inc., one of the world's largest information solutions providers, with responsibility for developing UK & Ireland business. His experience in developing information solutions, big data and analytics will add great value to Aspermont in optimising the benefits of Project Horizon.

Comment:

"Aspermont's positioning in its markets and the blue chip client bases it serves, reflects both the credibility and leadership of its brands and also the opportunities it has to leverage them going forward.
The company has spent nearly 20 years building and refining its subscription-based digital media solution to a point of realising scalability. It has also in the last three years restructured its entire operating structure to maximise new growth. With new systems, process and people in place it is an exciting time both for Aspermont and for us that work there."

Matt Smith Chief Commercial Officer

Matt joined in August 2018 as Chief Commercial Officer; with a key focus on sales and commercial activities for the group. Previously, Matt was Group Publishing Director at Incisive Media, where he transformed both the Business Finance Group and Institutional Investment Groups and led the company's transition from print to digital for several of its established brands. Matt brings specialist skills in commercialising digital content, database and information management to the role.

Comment:

"Having worked in the Technology industry for 20 years, I have seen the rapid shift in the media and publishing landscape. With the chase for scale, many B2B publishers have forgotten the core value of quality content and audience quality. Aspermont have led the way with their paywall platform and international coverage across the Global resource industry, but at no stage compromising on editorial quality. As a specialist publisher, they are at the forefront of audience engagement backed by high value brands. This is supported by a hugely talented team that bring innovation and passion to the business.
I believe this has uniquely placed Aspermont at the very forefront of delivering the best solutions and services to our global partners. I am excited to be leading the commercial growth of Aspermont during a very exciting phase for the business."

Andrew Kent **Non-executive Chairman**

Mr Andrew Kent, Chairman, is an experienced Business Manager and Corporate Advisor with over 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 is a member of the Australian Institute of Company Directors.

Comment:

"As a long serving chairman of Aspermont Ltd I have found that a sound vision is only able to be delivered when the right culture and organisational skills are fully aligned with it.

The company has built both technological IP and knowledge capital since its successful pioneering of a paid content digital media solution in 2003 – at a time when all else said the internet must be free and advertising solutions should be based on website volume and not audience quality. Aspermont proved then what it is again ready to prove now; albeit on a far larger scale. That is, that high provident content, timeliness and effective delivery are 'must have' propositions for industry professionals.

When operating in an era of 'fake news' the value lines for a publisher have never been clearer or more important, to the communities they serve.

Tech solutions with high growth and profitability are rare. As Aspermont completes its transformation of the last three years it comes back to the market with both – and is supported by a board and executive team who have all the ingredients to create real long-term value for its shareholders."

Geoff Donohue **Lead Independent Director**

Mr Geoff Donohue has over 30 years' experience at both board and senior management level within public companies and the securities industry. Mr Donohue holds a Bachelor of Commerce from James Cook University of North Queensland, Graduate Diploma in Financial Analysis from the Securities Institute of Australia and is a Certified Practicing Accountant.

Comment:

"I began my involvement with ASP three years ago and have been Lead Independent Director since October 2016. During this time I have witnessed and been involved in the Company transforming itself at balance sheet, management, board, technical, operational and functional levels. The decisions taken and implemented to give effect to this transformation were very well planned, executed and courageous. This process is ongoing.

Aspermont is now very well positioned to create substantial shareholder value as the benefits of the past two years of change yield expected excellent results. I look forward to being part of this and am very excited by it."

Christian West **Non-executive Director**

Christian West has over 16 years' experience in advising public companies on portfolio structure and in deal origination, development and financing for private companies. Christian has a successful track record investing in global equities, through public market, venture capital and private equity investment channels across media, technology and natural resource sectors. He is currently a Director of RDP Limited, a venture capital group specialist in the natural resources sector.

Comment:

"I have been working with Aspermont since the summer of 2016 before joining the Board as a Non-Executive Director in May of 2017. I have been impressed with the high quality of the Executive team and the turnaround plan they have actioned. The Company and Management have embraced the digital revolution within the publishing and media sector. The Company is showing impressive growth in both its

established business and newly launched products and is a credit to the enthusiasm, dedication and talent shown throughout the Aspermont family.

The coming year should show continuing development and provide exciting opportunities for the management team and Aspermont's shareholders."

Clayton Witter Non-executive Director

Clayton Witter has over 20 years' experience in advising large and medium size organisations on implementation of new technologies to transform business processes across a number of sectors including FMCG (consumer goods), Manufacturing, Banking, Information Technology and Electrical household appliances. He was previously Managing Director at Beko Plc, the UK home appliance manufacturer where under his management, Beko became market leader across multiple product categories.

Comment:

"I am excited about Aspermont because the business has a talented executive team full of passion and drive, who are well equipped to realise the potential of Aspermont to be the market leader and the first point of reference for business intelligence, information and data in the sectors within which it operates. This presence together with the current development of new technology platforms will allow the expertise within the executive to connect global partners through event forums that deliver immense value for participants and significant additional revenue for Aspermont.

Within the last year the company has shown significant improvement in its overall financial performance which serves as a great platform and foundation for the exciting and ambitious plans ahead and I am looking forward to supporting the executive team together with my fellow non- executive directors to deliver on these plans."

General Summary:

After a 2 year transformation Aspermont now has the world's leading industrial content for the global resources industry.

The company has a clear and substantial growth opportunity to leverage its platform and digital media expertise, to aggressively expand the business across multiple geographies and sectors.

Our high performance SaaS based subscription model, with growing profitability, high quality recurring revenues and world leading customer endorsements position us to maximize our short term objectives.

Our experienced board and management teams are aligned with relentless focus on execution of growth opportunities, to deliver an accelerated and sustained new growth phase.

Yours sincerely,

Alex Kent
Managing Director
Aspermont Limited

Appendix 1: Normalised EBITDA

The reconciliation of statutory earnings to EBITDA is as follows:

Year Ended	**30 Sept 2018 $000**	**15 Months ended 30 Sept 2017 $000**
Reported income/(loss) from continuing operations before income tax expense	**(868)**	**(10,776)**
Net interest	24	1,185
Depreciation and amortisation	188	561
Other (share based payments & provisions, foreign exchange, other income)	(43)	-
Discontinued operations and other income	-	552
Impairment of Intangible assets	-	6,395
Reported EBITDA	**(699)**	**(2,083)**
Fair value revaluation and interest receivable of Beacon loan	(584)	-
Exceptional one-off charges(2)	389	2,189
New business establishment costs(3)	1,070	-
Normalised EBITDA(1)	**176**	**106**

Normalised Cash Flow from Operations Reconciliation

Year Ended	**30 September 2018 $000**	**30 September 2017 $000**
Cash flows from operating activities		
Cash receipts from customers	14,225	22,588
Cash outflows to suppliers and employees	(14,648)	(27,569)
Interest and other costs of finance paid	(13)	(45)
Cash outflow from Operating activities	**(436)**	**(5,026)**
Exceptional cash outflows to suppliers(2), (3)	992	5,219
Normalised Cash inflow/(outflow) from operating activities (1)	**556**	**193**

Notes for Normalised EBITDA and Normalised Cash Flow from Operations reconciliations:
(1) Based on unaudited management accounts.
(2) One-off expenses relating to business restructuring, divestments and legal costs.
(3) Estimated expenditure in relation to the establishment of the Events business and the new Research and Data division.

The Directors' present their twelve-month financial report on the consolidated entity (referred to hereafter as the Group) consisting of Aspermont Limited and the entities it controlled at the end of, or during, the year ended 30 September 2018.

Directors

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

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

Principal activities

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

Operating results

The operating loss after tax for continuing operations was $0.9m (15 months to 2017: loss $11.6m). The operating profit after tax for discontinued operations was nil (15 months to 2017: loss $10.7m). The consolidated loss after tax for the group was $0.9m (15 months to 2017: loss $0.9).

Dividends

No dividend has been declared for the year (2017: no dividend).

Review of operations

A review of the operations of the Group during the financial year has been set out in pages 4 to 8 of this report.

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.

Events subsequent to the end of the year end

There were no events subsequent to the end of the year end that require disclosure.

Likely developments and expected results of operations

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

Environmental regulations

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

Auditors' declaration

The lead auditor's independence declaration is set out on page 34 and forms part of the directors' report for the year ended 30 September 2018.

Rounding of amounts

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

Dated at Perth this 28th December 2018

Signed in accordance with a resolution of Directors:

Alex Kent
Managing Director

A.L Kent, AAICD Chairman and non-executive director

Experience and expertise
Mr Kent is an experienced business manager and corporate advisor with over 30 years of 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. Mr Kent is a member of the Australian Institute of Company Directors.

Other current directorships
No other listed company directorship

Former directorships in last 3 years
No other listed company directorship

Special responsibilities
Chairman of the Board

Interest in shares and options
566,780,087 ordinary shares in Aspermont Limited

J Stark, AAICD Alternative Director

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. Mr Stark was appointed Alternative Director to Mr Andrew Kent on the 26^{th} May 2018.

Other current directorships
None

Former directorships in last 3 years
None

Special responsibilities
None

Interest in shares and options
385,897,000 ordinary shares in Aspermont Limited

Alex Kent, (Double Hons) BSc Economics, Accounting & Business Law Managing Director

Experience and expertise
Since joining the company in 2007, Mr Alex Kent has worked across all divisions of Aspermont Group. During this time, he has built up an extensive knowledge of its product portfolio and been a key influencer in the overall business vision. He is currently the Group's Managing Director but has held previous executive roles in both marketing and digital strategy.

Having previously graduated through Microsoft's Executive Academy and with a double honors degree in Economics, Accounting and Business Law, Mr Alex Kent brings further depth to the Aspermont board and operations as the Group continues its digital evolution.

Other current directorships
No other listed company directorship

Special responsibilities
Managing Director
Member of Audit Committee

Former directorships in last 3 years
Resourceful Events Limited, resigned 17 May 2018

Interest in shares and options
259,749,245 ordinary shares
258,245,641 options
27,000,000 performance rights

Geoffrey Donohue, B.COM, Grad. Dip Financial Analysis (FINSIA), CPA Lead Independent Director

Experience and expertise
Mr Geoffrey Donohue has over 30 years' experience at both board and senior management level within public companies and the securities industry. Mr Donohue holds a Bachelor of Commerce from James Cook University of North Queensland, Graduate Diploma in Financial Analysis from the Securities Institute of Australia and is a Certified Practicing Accountant.

Other current directorships
Zamanco Minerals Limited (ASX: ZAM)

Special responsibilities
Chairman of Audit Committee
Chairman of Remuneration Committee

Former directorships in last 3 years
N/A

Interest in shares and options
44,642,000 ordinary shares

Christian West, FCA CF30 / RDR Non-Executive Director

Experience and expertise
Mr Christian West has over 16 years' experience in advising public companies on portfolio structure and in deal origination, development and financing for private companies. Christian has a successful track record investing in global equities, through public market, venture capital and private equity investment channels across media, technology and natural resource sectors.

Other current directorships
No other listed company directorships

Special responsibilities
Member of Audit Committee
Member of Remuneration Committee

Former directorships in last 3 years
No other listed company directorships

Interest in shares and options
6,181,320 ordinary shares

Clayton Witter, BBA Batchelor of Business Administration, & International Marketing Non-Executive Director

Experience and expertise
Mr Clayton Witter has over 20 years' experience advising large and medium size organisations on implementation of new technologies to transform business process across a number of sectors including FMCG (consumer goods), Manufacturing, Banking, Information Technology and Electrical household appliances. Mr Witter was previously Managing Director at Beko Plc, the UK home appliance manufacturer where under his management, Beko became market leader across multiple product categories.

Other current directorships
No other listed company directorships

Special responsibilities
Member of Remuneration Committee

Former directorships in last 3 years
No other listed company directorships

Interest in shares and options
3,306,320 ordinary shares

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 David Straface. Mr Straface was appointed to the position of Company Secretary in July 2016. Mr Straface is a company director, advisor and lawyer with over 15 years of experience in the corporate finance industry. He is a Fellow of the Financial Services Institute of Australasia.

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 September 2018, 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.L Kent	11	11	**	**	**	**
J Stark	6	11	**	**	**	**
A Kent	11	11	5	5	**	**
G Donohue	11	11	5	5	3	3
C West	10	11	5	5	3	3
C Witter	11	11	**	**	3	3

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
# Audit matters were addressed by the entire board

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-G Additional information
H Other transactions with directors and KMP

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; and
- transparency.

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; and
- attracts and retains high caliber 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; and
- provides a recognition for contribution.

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.

Remuneration Consultants

During the financial year the Group's remuneration committee did meet but did not engage the services of a remuneration consultant.

Directors' fees:
The base remuneration was reviewed in the year and the following base fees were determined:

Base Fees	**30 September 2018**
Executive Chairman	$100,000[1]
Non-Executive Directors	$45,000
Lead Independent Director	$100,000

[1]The Chairman in addition to base fees also has an agreement with management for additional non-chairman related services amounting to $100,000 per annum.

Executive pay

The executive pay and reward framework has three components. The combination of these comprises an executive's total remuneration.

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.

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

Benefits
Executives receive benefits including health and life insurance.

Superannuation & Pension
Australian based Executives are paid the statutory contribution of 9.50%. United Kingdom based Executives are paid a pension between 8% - 10% on their base salary. Executives may elect to sacrifice base pay into superannuation at their discretion.

Short-term incentives (STI)
The STI annual payment is reviewed annually against a combination of financial 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 annual bonus payments are approved by the Remuneration Committee.

The Group currently does have a policy to limit "at risk" remuneration for executives. In the current year STI was linked to revenue, EBITDA and cashflow targets as well as other operational and personal performance measures. The resultant bonuses payable as a result of meeting targets have been declared within Executive remuneration on page 20.

<table>
<tr><th>Feature</th><th colspan="4">Description</th></tr>
<tr><td>Max opportunity</td><td colspan="4">MD and other executives: 50% of fixed remuneration</td></tr>
<tr><td rowspan="6">Performance metrics</td><td colspan="4">The STI metrics align with our strategic priorities of market penetration and growth, operational excellence, shareholder value and fostering talented and engaged people.</td></tr>
<tr><th>Metric</th><th>Target</th><th>Weighting</th><th>Reason for selection</th></tr>
<tr><td>Revenue Growth and Adjusted EBITDA</td><td>30% increase</td><td>30-40%</td><td>Reflects improvements in both revenue and cost control</td></tr>
<tr><td>Increase group's market share in subscriptions and digital advertising</td><td>10% increase</td><td>10-20%</td><td>Focus of the group's growth strategy for the next 5 years</td></tr>
<tr><td>Operational Excellence</td><td>Individual KPIs set annually</td><td>20-30%</td><td>Retention of customers and increasing market share</td></tr>
<tr><td>Individual performance metrics</td><td>Specific to individuals</td><td>10-20%</td><td>Targeted metrics have been chosen that are critical to individual roles</td></tr>
<tr><td>Delivery of STI</td><td colspan="4">STI awarded is paid in cash or shares at the end of the financial year and can be deferred at Board's discretion and is subject to forfeiture on resignation.</td></tr>
<tr><td>Board discretion</td><td colspan="4">The Board has discretion to adjust remuneration outcomes up or down to prevent any inappropriate reward outcomes, including reducing (down to zero, if appropriate) any deferred STI award.</td></tr>
</table>

STI awards for this year were based on meeting increase in market share in subscriptions, EBITDA, delivering 50% of individual KPIs and that specific to individuals. The payments made for this year are disclosed in the remuneration table on page 24 as well on page 26 showing how much each award represented as percentage of each individual fixed remuneration.

Long-term incentives

Long-term incentives are provided to certain employees to incentivise long-term objectives and tenure via performance rights. Performance Rights provide a non-cash incentive that aligns directors and employees interests with those of the shareholders and are granted to motivate and retain directors and employees over a multi-year tenure.

The Company granted Performance Rights for this financial period as disclosed on page 27.

B) Details of remuneration

Amounts of remuneration

Details of the remuneration of the directors and key management personnel of the Group (as defined in AASB 124 *Related Party Disclosures*) 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 Non-Executive Director
- Alex Kent – Managing Director, Group
- John Stark – Alternative Director to Mr Andrew Kent
- Geoffrey Donohue – Lead Independent Director
- Christian West – Non-Executive Director
- Clayton Witter – Non-Executive Director
- Ajit Patel – Chief Operating Officer, Group
- Nishil Khimasia – Chief Financial Officer, Group
- Robin Booth – General Manager, Group (until May 2018)
- Matt Smith – Chief Commercial (appointed August 2018)

Details of Directors and key management personnel of the Group remuneration for the year ended 30 September 2018 are as follows:

2018	**Short-term employee benefits**			**Share based payments**	**Long term employee benefits**	**Post-employment benefits**	
Name	**Cash salary or fees**	**STI related payments**	**Non-monetary benefits**	**Performance rights**	**Long service leave**	**Super-annuation / Pension**	**Total**
Executive directors							
A Kent [1]	350,049	79,557	21,989	53,010	-	-	504,605
Sub-total	350,049	79,557	21,989	53,010	-	-	504,605
Non-executive directors							
A.L Kent (Chairman)	191,324	-	-	-	-	8,676	200,000
G Donohue [4]	100,000	-	-	-	-	-	100,000
C West [5]	45,000	-	-	-	-	-	45,000
C Witter [6]	45,000						45,000
Sub-total	381,324	-	-	-	-	8,676	390,000
Other key management personnel							
R Booth [1,2]	138,359	-	8,318	-	-	9,900	156,577
A Patel [1,7]	265,188	92,815	15,452	26,505	-	26,519	426,479
N Khimasia [1] [7]	265,188	33,149	4,800	26,505	-	21,215	350,857
M Smith [1,3]	36,511	-	-	-	-	-	36,511
Sub-total	705,246	125,964	28,570	53,010	-	57,634	970,424
Total (Group)	1,436,619	205,521	50,559	106,020	-	66,310	1,865,029

1. UK executive remuneration, paid in British Pounds, has been converted to Australian Dollars at the average exchange rate for the year ended 30 September 2018.
2. Resigned May 2018
3. Appointed August 2018
4. Remuneration will be entirely in stock with the share price set at the volume weighted average price (VWAP) over the 12 months of the calendar year
5. Remuneration was $10,000 in cash and remainder will be entirely in stock with the share price set at the volume weighted average price (VWAP) over the 12 months of the calendar year
6. Remuneration was $17,500 in cash and remainder will be entirely in stock with the share price set at the volume weighted average price (VWAP) over the 12 months of the calendar year
7. STI will be 50% cash and 50% in stock with the share price set at the volume weighted average price (VWAP) over the 12 months of the calendar year
7. STI will be in stock with the share price set at the volume weighted average price (VWAP) over the 12 months of the calendar year

Key management personnel of the Group and other executives of the Company and the Group (continued):

2017	**Short-term employee benefits**			**Share based payments**	**Long term employee benefits**	**Post-employment benefits**	
Name	**Cash salary or fees**	**STI related payments**	**Non-monetary benefits**	**Options**	**Long service leave**	**Super-annuation / Pension**	**Total**
Executive directors							
A.L Kent (Chairman)	182,648	-	-	-	-	17,352	200,000
A Kent [1]	396,661	60,380	16,288	-	-	-	473,329
Sub-total	579,309	60,380	16,288	-	-	17,352	673,329
Non-executive directors							
J Stark	-	-	-	-	-	-	-
G Donohue [3][6]	100,000	-	-	-	-	-	100,000
C West [4][6]	15,000	-	-	-	-	-	15,000
C Witter [5][6]	15,000						15,000
C O'Brien [2]	-	-	-	-	-	-	-
R Whyte[2]	-	-	-	-	-	-	-
Sub-total	130,000	-	-	-	-	-	130,000
Other key management personnel							
R Booth [1]	251,582	20,127	9,805	-	-	20,127	301,641
N Khimasia [1,7]	314,477	50,316	4,293	-	-	25,158	394,244
A Patel [1]	314,477	31,867	8,407	-	-	31,448	386,199
Sub-total	880,536	102,310	22,505	-	-	76,733	1,082,084
Total (Group)	1,589,845	162,690	38,793	-	-	94,085	1,885,413

1. UK executive remuneration, paid in British Pounds, has been converted to Australian Dollars at the average exchange rate for the year ended 30 September 2017.
2. Resigned May 2017
3. Appointed October 2016
4. Appointed May 2017
5. Appointed June 2017
6. Remuneration will be entirely in stock with the share price set at the volume weighted average price (VWAP) over the 12 months of the calendar year (pro-rata)
7. STI was issued in shares refer to note E for number of shares issued.

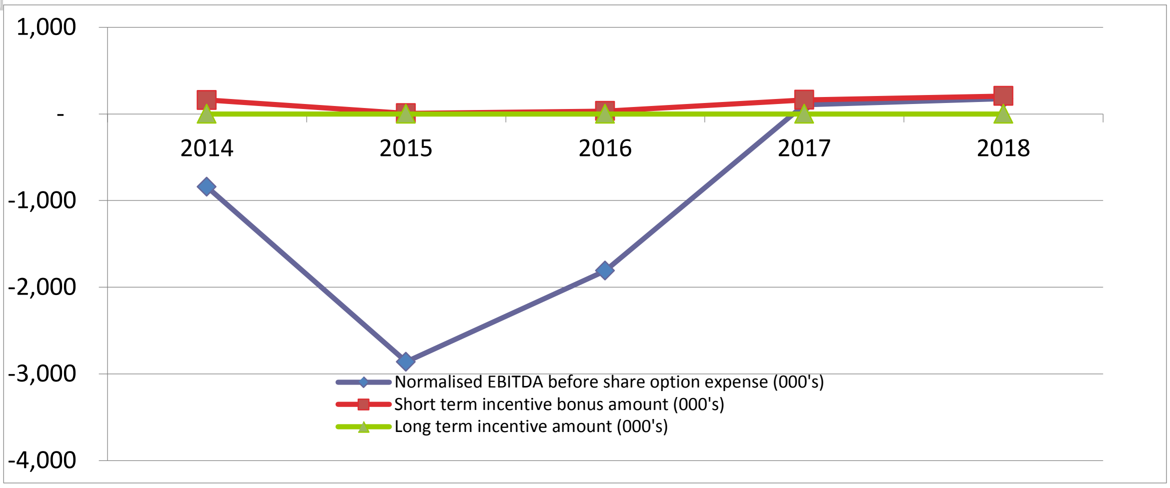
The relative proportions of remuneration that are linked to performance (variable component) and those that are fixed are as follows:

Name	Fixed remuneration 2018	At risk – STI 2018	At risk – LTI 2018
Executive directors			
A Kent	74%	16%	10%
Non-Executive directors			
A.L Kent (Chairman)	100%	-	-
J Stark	100%	-	-
G Donohue	100%	-	-
C West	100%	-	-
C Witter	100%	-	-
Other key management personnel			
R Booth	100%	-	-
N Khimasia	83%	9%	8%
A Patel	72%	22%	6%
M Smith	100%	-	-

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

	2018	2017	2016	2015	2014
Loss attributable to owners of the company	(942,949)	(1,342,604)	(6,468,480)	(10,557,709)	(1,117,114)
Dividends paid	-	-	-	-	-
Share price at 30 September	$0.01	$0.01	$0.01	$0.01	$0.04
Return on capital employed	(9.8%)	(15.7%)	(574.8%)	(132.6%)	(11.0%)

The table below illustrates the link between the Group's financial performance and the incentive compensation amounts (including the value of share options in long term incentives) for the key management personnel:



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. Non-Executive Directors can elect to take all/part of fees in shares subject to shareholder approval on 12 month VWAP basis.

Remuneration and other terms of employment for the Managing Director and other key management personnel are formalised and reviewed by the Remuneration Committee. Each of these agreements provides for the provision of performance-related cash & share based bonuses, other benefits including certain expenses and allowances. Other major provisions of the agreements relating to remuneration are set out below.

All contracts with executives may be terminated early by either party subject to termination payments as detailed below

A Kent *Managing Director, Group*

- Term of agreement – updated commencing 1 July 2016
- Base compensation and benefits for the year ended 30 September 2018 is GBP 255,438 (AUD $451,595).
- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to 12 months' base salary.
- Notice period: 12 months

A Patel *Chief Operating Officer, Group*

- Term of agreement – ongoing commencing 23 January 2013.
- Base compensation, inclusive of salary, pension contribution and benefits, for the year ended 30 September 2018 is GBP 226,358 (AUD $399,974). This amount 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.
- Notice period: 6 months

R. Booth *General Manager, Group*

- Term of agreement – ongoing, commencing 14 April 2014 and ended 30 May 2018.
- Base compensation, inclusive of salary, pension contribution and benefits for the 8 month period ended 30 September 2018 of GBP 88,565 (AUD $156,578).
- Payment of a benefit on termination by the Company, other than for gross misconduct, equal to 3 months' base salary.
- Notice period: 6 months

N. Khimasia *Chief Financial Officer, Group*

- Term of agreement – ongoing, commencing November 2015.
- Base compensation, inclusive of salary, pension contribution and benefits for the 15 month period ended 30 September 2018 of GBP 183,465 (AUD $324,352).
- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to 6 months' base salary.
- Notice period: 6 months

M. Smith *Chief Commercial Officer, Group*

- Term of agreement – ongoing, commencing August 2018.
- Base compensation, inclusive of salary, pension contribution and benefits for the 2 month period ended 30 September 2018 of GBP 20,652 (AUD $36,511).

- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to 6 months' base salary.
- Notice period: 6 months

D) Options and rights held by directors and key management personnel

The numbers of options over ordinary shares in the Company held during the year by each director and other key management personnel, including their personally related parties, are set out below. All outstanding options were fully vested on the date of grant.

	Balance 1 October 2017	Received as part of convertible note issue	Exercised	Forfeited	Balance 30 September 2018
Directors					
A Kent and beneficial interests	258,245,641	-	-	-	258,245,641

No other director options or rights were exercised or lapsed in Aspermont Limited in 2018.

E) Number of shares held by directors and key management personnel (KMP)

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 issued during the year for the exercise of options.

	Balance 1 October 2017	Disposed	Acquired	Balance at resignation	Balance 30 September 2018
Directors					
A.L Kent and beneficial interests	566,780,087	-	-	-	566,780,087
J Stark and beneficial interests	387,897,000	2,000,000	-	-	385,897,000
A Kent and beneficial interests	259,749,245	-	-	-	259,749,245
G Donohue and beneficial interests	20,000,000	-	22,214,815	-	42,214,815
C West	2,500,000	-	2,564,815	-	5,064,815
C Witter	-	-	2,189,815	-	2,189,815
Other KMP					
N Khimasia (KMP)	7,861,545	-	-	-	7,861,545

No other shares were issued to key management personnel and other executives of the Company and the Group during 2018.

F) Employee Performance Rights

The Company issued 45,000,000 Performance Rights during the reporting year to a director and employees pursuant to the Aspermont Performance Rights Plan ("The Plan").

No Performance Rights vested during the year.

At 30 September 2018, the Company had the following unlisted Performance Rights in issue:

Performance Rights – Managing Director (exercise price Nil)	27,000,000
Performance Rights – Employees (exercise price Nil)	18,000,000
Total Performance Rights on issue at 30 September 2018	45,000,000

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

Performance Rights were issued in two tranches:

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

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

The Tranche 1 Performance Rights were valued for a total of $270,000 being expensed over the vesting period, with $60,000 charged to the Consolidated Income Statement for this reporting period. This is based on a share price of $0.01 and management's assessment of probability of achieving the performance conditions was set at 100%. This is reflected in the share based payment expense at 30 September 2018.

The fair value of Tranche 2 Performance Rights were determined to be $0.00767 per right. The fair value at grant date was independently assessed using a model that combines Trinomial and Monte Carlo methodologies and utilises the correlations, betas and volatilities of Aspermont, the S&P/ASX 300 Index and its constituents.

The model inputs for the rights granted included:

- Rights are granted at no consideration
- Grant date: 1 February 2018
- Vesting Period: three years
- Expiry date: seven years from issue
- Expected future price volatility of shares: 85.2%
- Risk free rate: 2.05%
- Dividend yield: n/a

The Tranche 2 Performance Rights were valued for a total of $207,090 being expensed over the vesting period based on fair value of $0.00767.

G) Loans from directors related entities

Liabilities to Mr A.L Kent, Mr J Stark and entities related to them are set out below.

	2018	2017
Andrew L. Kent		
Beginning of year	(47,269)	(191,799)
Loan Repayments / (advances)	90,738	144,530
End of year/period – owed	43,469	(47,269)
J Stark		
Beginning of year	-	(2,981,119)
Loan transfer to related party	-	254,672
Loan Repayments / (advances)	-	17,017
Interest charged	-	(69,090)
Loan conversion to ordinary shares	-	2,778,520
End of year/period – owed	-	-
Total End of Year	43,469	(47,269)

Convertible notes to Mr A L Kent and entities related to them are set out below.

	2018	2017
A Kent		
Beginning of year	-	(2,583,384)
Transfer from related party	-	(200,591)
Loan Repayments / (advances)	-	-
Loan conversion to ordinary shares	-	2,582,456
Interest charged	-	(26,596)
Finance cost	-	228,115
End of year/period – owed	-	-
Total End of year/period	-	-

H) Other transactions with directors and key management personnel

A number of directors, or their related parties, hold positions in other entities that result in them having control or joint control over the financial or operating policies of those entities.

These entities transacted with the Group during the year. The terms and conditions of the transactions with directors and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

The Group leases its principal office facility from Ileveter Pty Ltd, a company associated with a director, Mr A.L Kent. The rent paid was at market rates at the time of lease inception and amounted to $487,699 for the current year, a 24% reduction over the prior 12 months (15 months 2017: $796,479). The lease agreement has a term of five years expiring October 2022.

At 30 September 2018, the Company owed $47,500 (2017: $130,000) in unpaid Director Fees to current Directors of the Company. Non-Executive Directors can elect to take all/part of fees in shares subject to shareholder approval on 12 month VWAP basis. At the AGM, 100% of votes received were in favour of adoption of the remuneration report. Votes received represented 83% of the full registry.

This is the end of the Audited Remuneration Report.

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-Aug-2017	31-Jul-20	1c	10,000,000
01-Aug-2017	31-Jul-20	3c	10,000,000
18-Oct-2016	30-Sep-25	3c	303,577,323

Insurance of officers

During the financial year, Aspermont Limited paid a premium to insure the directors and officers of the Company and its Australian-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 Group 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 in 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:

	2018 $	2017 $
Non-assurance services		
Tax compliance – BDO UK and HKG	8,235	4,642
Tax advisory – BDO WA	23,422	6,589
Other services – BDO WA		-
Total non-assurance remuneration	31,657	11,231

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 33.

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

A. Kent
Managing Director

Perth
28 December 2018

Corporate Governance

The primary role of the Aspermont Board (the "Board") is the protection and enhancement of long-term shareholder value. The Board is accountable to shareholders for the performance of the Group. It directs and monitors the business and affairs of the Group on behalf of shareholders and is responsible for the Group'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". The Corporate Government statements have been released to the ASX and are available on our website at http://www.aspermont.com/static/corporate-governance.

Diversity disclosures regarding the proportion of women in the Aspermont workforce at 30 September 2018:

Directors and Employees	**Total Men**	**Total Women**	**Women %**
Board	6	-	0%
Senior Management	4	-	0%
Department Head	6	2	25%
Employees	33	37	53%
Total	49	39	44%

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DECLARATION OF INDEPENDENCE BY NAME OF PHILLIP MURDOCH TO THE DIRECTORS OF ASPERMONT LIMITED

As lead auditor of Aspermont Limited for the year ended 30 September 2018, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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

Phillip Murdoch

Director

BDO Audit (WA) Pty Ltd

Perth, 28 December 2018

	Note	30 September 2018 $000	15 Months to 30 September 2017 $000
Continuing operations			
Revenue	4	14,031	14,750
Cost of sales		(6,455)	(6,874)
Gross Profit		**7,576**	**7,876**
Distribution expenses		(459)	(653)
Marketing expenses		(3,833)	(2,845)
Occupancy expenses		(859)	(1,420)
Corporate and administration		(2,738)	(4,670)
Finance costs		(24)	(1,185)
Share based payments		(109)	-
Other expenses		(1,192)	(1,801)
Other income		186	317
Revaluation of loan receivable		584	-
Impairment of intangible assets	10	-	(6,395)
Loss from continuing operations before income tax expense		**(868)**	**(10,776)**
Income tax benefit/(expense) relating to continuing operations	6	(75)	(839)
Loss for the year from continuing operations		**(943)**	**(11,615)**
Profit/(loss) from discontinued operation (attributable to equity holders of the company)	21	-	10,728
Loss for the year		**(943)**	**(887)**
Loss attributable to:			
Net profit/(loss) attributable to non-controlling interest		-	456
Net loss attributable to equity holders of the parent entity		(943)	(1,343)
		(943)	**(887)**

The accompanying notes form part of these consolidated financial statements.

	Note	Cents 2018	Cents 2017
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company			
Basic and diluted loss		**(0.05)**	(0.70)
Earnings per share for profit from discontinued operations attributable to the ordinary equity holders of the company			
Basic and diluted earnings/(loss)		-	0.65
Earnings per share for profit attributable to the ordinary equity holders of the company			
Basic and diluted earnings loss	**19**	**(0.05)**	**(0.05)**

The accompanying notes form part of these consolidated financial statements.

	Note	2018 $000	15 months to 2017 $000
Net loss after tax for the year		**(943)**	**(887)**
Other comprehensive loss			
(Items that will be reclassified to profit or loss)			
Foreign currency translation differences for foreign operations		(170)	(470)
Other comprehensive loss for the year/period net of tax		(170)	(470
Total comprehensive loss for the year (net of tax)		**(1,113)**	**(1,357)**
Total comprehensive income/(loss) attributable to:			
Non-controlling interest		-	182
Owners of Aspermont Limited		(1,113)	(1,539)
Total comprehensive income for the year attributable to owners of Aspermont Limited arises from:			
Continuing operations		(1,113)	(1,539)
Discontinued operations		-	182

The accompanying notes form part of these consolidated financial statements.

ASPERMONT LIMITED
Consolidated Statement of Financial Position for the year ended 30 September 2018

	Note	2018 $000	2017 $000
CURRENT ASSETS			
Cash and cash equivalents	15	2,059	1,342
Trade and other receivables	7	1,858	1,228
TOTAL CURRENT ASSETS		**3,917**	**2,570**
NON-CURRENT ASSETS			
Other receivables	7	5,480	4,485
Financial assets		74	68
Property, plant and equipment	9	124	85
Deferred tax assets	6	2,272	2,347
Intangible assets and goodwill	10	8,842	8,034
TOTAL NON-CURRENT ASSETS		**16,792**	**15,019**
TOTAL ASSETS		**20,709**	**17,589**
CURRENT LIABILITIES			
Trade and other payables	11	4,502	3,747
Income in advance	12	4,193	2,803
Borrowings		(5)	85
Income tax payable	6	-	-
Provisions		-	31
TOTAL CURRENT LIABILITIES		**8,690**	**6,666**
NON-CURRENT LIABILITIES			
Deferred tax liabilities	6	2,272	2,347
Provisions		76	16
TOTAL NON-CURRENT LIABILITIES		**2,348**	**2,363**
TOTAL LIABILITIES		**11,038**	**9,029**
NET ASSETS		**9,671**	**8,560**
EQUITY			
Issued capital	13	67,744	65,604
Reserves		(11,882)	(11,796)
Accumulated losses		(46,191)	(45,248)
Parent entity interest		**9,671**	**8,560**
Non-controlling interest		**-**	-
TOTAL EQUITY		**9,671**	**8,560**

The accompanying notes form part of these consolidated financial statements

ASPERMONT LIMITED

Consolidated Statement of Changes in Equity for the year ended 30 September 2018

	Issued Capital	Accumulated Losses	Other Reserves	Share Based Reserve	Currency Translation Reserve	Fixed Assets Reserve	Sub-Total	Non-Controlling Interest	Total
	$000	$000	$000	$000	$000	$000	$000	$000	$000
Balance at 1 July 2016	**56,433**	**(43,905)**	**(8,053)**	**295**	**(2,116)**	**(278)**	**2,376**	**(1,202)**	**1,174**
Loss for the period	-	(1,343)	-	-	-	-	(1,343)	456	(887)
Other comprehensive income									
Foreign currency translation differences for foreign operations	-	-	-	-	(273)	-	(273)	(274)	(547)
Realised loss on equity investments transferred	-	-	-	-	-	-	-	-	-
Income tax relating to components of other comprehensive income	-	-	-	-	-	-	-	-	-
Total Comprehensive loss	**-**	**(1,343)**	**-**	**-**	**(273)**	**-**	**(1,616)**	**182**	**(1,434)**
Transactions with owners in their capacity as owners;									
Shares issued (net of issue costs)	9,171	-	-	-	-	-	9,171	-	9,171
Issue of share options	-	-	-	530	-	-	530	-	530
Disposal of non-controlling interest	-	-	(1,901)	-	-	-	(1,901)	1,020	(881)
Balance at 30 September 2017	**65,604**	**(45,248)**	**(9,954)**	**825**	**(2,389)**	**(278)**	**8,560**	**-**	**8,560**
Balance at 1 October 2017	**65,604**	**(45,248)**	**(9,954)**	**825**	**(2,389)**	**(278)**	**8,560**	**-**	**8,560**
Loss for the year	-	(943)	-	-	-	-	(943)		(943)
Other comprehensive income									
Foreign currency translation differences for foreign operations	-	-	-	-	(170)	-	(170)	-	(170)
Total Comprehensive loss	**-**	**(943)**	**-**	**-**	**(170)**	**-**	**(1,113)**	**-**	**(1,113)**
Transactions with owners in their capacity as owners:									
Shares issued (net of issue costs)	2,140	-	-	-	-	-	2,140	-	2,140
Issue of performance rights	-	-	-	84	-	-	84	-	84
Balance at 30 September 2018	**67,744**	**(46,191)**	**(9,954)**	**909**	**(2,559)**	**(278)**	**9,671**	**-**	**9,671**

The accompanying notes form part of these consolidated financial statements.

	Note	2018 $000	15 Months 2017 $000
Cash flows from operating activities			
Cash receipts from customers		14,225	22,588
Cash payments to suppliers and employees		(14,648)	(27,569)
Interest and other costs of finance paid		(24)	(45)
Interest received		11	-
Net cash (used in) / from operating activities	15(b)	**(436)**	**(5,026)**
Cash flows from investing activities			
Payments for investments		-	(16)
Proceeds from disposal discontinued operations (less legal fees deducted from cash transfer)	21	-	4,124
Payments for plant and equipment		(74)	(20)
Payment for intangible assets		(651)	(410)
Net cash (used in) / from investing activities		**(725)**	**3,678**
Cash flows from financing activities			
Proceeds from issue of shares		2,044	3,193
Share issue transaction costs		(169)	(296)
Repayment of borrowings		-	(1,950)
Net cash from financing activities		**1,875**	**947**
Net increase / (decrease) in cash held		714	(401)
Cash at the beginning of the year		1,342	1,795
Effects of exchange rate changes on the balance of cash held in foreign currencies		3	(52)
Cash at the end of the year		**2,059**	**1,342**
Cash flows from discontinued operation	21	**-**	**903**

The accompanying notes form part of these consolidated financial statements.

1. General information

Aspermont Limited (the "Company") is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange. The consolidated financial statements of Aspermont Limited and it's controlled entities (the "Group") comprises the Company and its subsidiaries and the consolidated entity's interests in associates and jointly controlled entities.

These financial statements were approved for issue by the Board of Directors on 14th November 2018.

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

Principal place of business and registered office	**Principal place of business United Kingdom**
613-619 Wellington Street PERTH WA 6000	WeWork 1 Poultry London, UK EC2R 8EJ
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 Group is a for-profit entity for the purposes of preparing the financial statements.

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) as issued by the International Accounting Standards Board (IASB).

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 set out below have been consistently applied to all years presented, unless otherwise stated.

During the period ended 30 September 2017 the Group sought and was granted a change in reporting date from June to September. As a consequence, the comparative position for 2017 is the fifteen-month year ended 30 September 2017.

New Accounting Standards Applied

AASB 15 Revenue from Contracts with Customers (Effective Date 1 January 2018)

The AASB has issued a new standard for recognition of revenue. This will replace AASB 118 and AASB 111. The new standard is based on the principles that revenue is recognised when control of a good or service transfers to a customer. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

The Group adopted AASB 15 on the required effective date using the modified retrospective method. Thus, the Group will not apply AASB 15 requirements to the comparative period presented. The Group's revenue recognition policies (see Note 2J) prior to AASB 15 were in line with the requisites of the new standard and the impact if any would be immaterial.

New Accounting Standards Issued but not yet Applied

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

AASB 9 Financial Instruments (Effective Date 1 January 2018)
AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

The majority of the Companies financial assets and liabilities satisfy the conditions for classification and there will be no change to the accounting of these assets or liabilities.

The new impairment model requires the recognition of impairment provisions based on expected credit losses (ECL) rather than only incurred credit losses as under AASB 139. It applies to financial assets classified at amortised cost, debt instruments measured at FVOCI, contracts under AASB 15, lease receivables and loan commitments. The Company is still reviewing the impact and the impact is unable to be quantified at this point in time, but is likely to result in increased provisions.

AASB 16 Leases (effective date 1 January 2019)
The AASB issued a new standard which, amongst other things, will have the impact of requiring the Company to account for material operating leases in a similar manner to which it already accounts for finance leases. The Group will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed. Refer to note 20 for the Group's lease commitments

Rounding of Amounts

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

Going concern

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

For the year ended 30 September 2018 the entity recorded a loss for the year of $0.9m from continuing operations before income tax, a net cash out flow from operating activities of $0.4m and net working capital deficiency excluding provisions and deferred revenue of $0.6m.

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

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

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

(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 is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of controlled entities are included in the consolidated accounts from the date on which control commences until the date on which control ceases.

A list of controlled entities is contained in note 14 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 Profit or Loss and Other Comprehensive Income.

Significant accounting policies (continued)

(a) Basis of consolidation (continued)

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 Profit or Loss and Other Comprehensive Income where appropriate.

(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 Profit or Loss and Other 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%

2. Significant accounting policies (continued)

(d) Employee benefits

Provision is made for the Group's liability for employee entitlements arising from services rendered by employees to reporting 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 has 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.

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.

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.

Financial assets at amortised cost
Financial assets held at amortised cost are non-derivative finance assets with fixed or determinable payments not quoted in an active market. If the financial assets are expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

2. Significant accounting policies (continued)

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 year when the asset is realised or liability is settled.

Deferred tax is credited in the statement of profit or loss and other comprehensive income 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.

2. Significant accounting policies (continued)

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.

(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 Profit or Loss or Other 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.

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.
- All resulting 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 through other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2. Significant accounting policies (continued)

(h) Intangible Assets

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 straight-line basis over periods generally ranging from 2 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.

Intangible assets acquired as part of an acquisition

Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the asset is separable or arises from contractual or legal rights, and the fair value can be measured reliably on initial recognition. Purchased intangible assets are initially recorded at cost and finite life intangible assets are amortised over their useful economic lives on a straight line basis.

Where amortisation is calculated on a straight line basis, the following useful lives have been determined for classes of intangible assets:

Trademarks:	10 years
Customer & subscription contracts/relationships:	5 years

2. Significant accounting policies (continued)

(i) Revenue

Recognition and Measurement
Revenues are recognised at fair value of the consideration received or receivable net of the amount GST or relevant sales tax payable to the relevant taxation authority.

Performance obligations and timing of revenue recognition
The majority of the Group's revenue is derived from selling services with revenue recognised at a point in time when service has been delivered or consumed by the customer and control has transferred to the customer. This is generally when the services are delivered to or consumed by the customer. There is limited judgement needed in identifying the point control passes.

Advertising and Sponsorship Revenues:
Revenue for advertising and sponsorship activities is recognised when the advertisement has been broadcast/displayed or the sponsorship service has been performed.

Subscriptions Revenues:
Subscriptions are received in advance for the subscription period applied for. Subscriptions received during the financial year for content to be published or accessed online after reporting date have been deferred and will be recognised in the accounting period in which the respective content services subscribed for are made available.

Event and Delegate Revenues:
Event revenue whether for sponsorship, exhibition stand or delegate tickets for attending the event is recognised in the accounting period in which the respective event occurs.

Determining the transaction price
Most of the Group's revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Allocating amounts to performance obligations
For most contracts, there is a fixed unit price for each product sold, with discounts sometimes given for orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each product ordered in such contracts. Where a customer orders more than one product line, the Group is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

Costs of fulfilling contracts
No judgement is needed to measure the amount of costs of obtaining contracts – it is the commission paid.

Transition
The Group adopted AASB 15 on the required effective date using the modified retrospective method. Thus, the Group will not apply AASB 15 requirements to the comparative period presented. The Group's revenue recognition policies prior to AASB 15 were in line with the requisites of the new standard and the impact if any would be immaterial.

2. Significant accounting policies (continued)

(j) Other income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Grants from the government are recognised as other income when they are received by the Group and all attached conditions have been fulfilled.

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

(k) 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 Profit or Loss.

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.

(l) Rounding of amounts

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

(m) 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 Tax 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.

(n) Share-based payment transactions

The Group in some instances has settled services received through issue of shares or share options. The costs of these transactions are measured by reference to the fair value at the date at which they are granted. Where options are issued, the fair value at grant date is determined using a Black Scholes Merton option pricing model which requires estimated variable inputs. In particular, the expected share price volatility is estimated using the historic volatility (using the expected life of the option), adjusted for any expected changes to future volatility. Information relating to share based payments is set out in note 13.

The cost is recognised together with a corresponding increase in equity over the period in which the performance conditions are fulfilled.

2. Significant accounting policies (continued)

(o) 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.

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 10(d).

Key Estimates — Useful lives
The Group assesses the useful lives at each reporting date in respect of assets within indefinite useful lives such as the Mastheads. The assets are assessed utilising conditions specific to the Group. This requires judgement and consideration of the assets utilisation and continued use within the Group.

Key Estimates — Income tax
The Aspermont Group operates in multiple jurisdictions which have applicable taxation laws. During any given year Aspermont seeks independent taxation advice and records the impact of that advice and any tax applicable. Should there be a change to the taxation position as a result of past transactions this may give rise to an income tax liability or asset.

Key Estimates — Non-current receivable
The Aspermont Group disposed of the Beacon subsidiary during the period ended 30 September 2017. As part of the disposal (Note 23) a loan receivable was retained post disposal. The loan is recognised at amortised cost and interest is recognised over the term of the loan at the effective interest rate of 12%. The loan which is denominated in USD is retranslated at each period, and the foreign exchange difference is recognised in the Profit or Loss. At each reporting period, the Group assesses whether there is any objective evidence that the receivable is impaired, in reference to observable data that comes to the attention of the Group about loss events, which includes breach of contract, such as default in interest or principal payments and financial difficulty of the borrower.

Key Estimates — Shared Based Payments
The Group in some instances has settled services received through issue of shares or share options. The costs of these transactions are measured by reference to the fair value at the date at which they are granted. Where options are issued, the fair value at grant date is determined using a combination of trinomial and monte carlo option pricing models which require estimated variable inputs. In particular, the expected share price volatility is estimated using the historic volatility (using the expected life of the option), adjusted for any expected changes to future volatility. Information relating to share based payments is set out in note 13. The cost is recognised together with a corresponding increase in equity over the period in which the performance conditions are fulfilled.

2. Significant accounting policies (continued)

Key Estimates — Shared Based Payments (continued)

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

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

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

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

The Directors interpreted AASB 2 to require the valuer for Tranche 1 to (a) consider the current likely probability of achieving each of the vesting conditions within the specified performance periods, and then (b) determine the number of equity securities that would be expected to vest, based on an estimate of the likely success or failure of each of the vesting conditions for Tranche 1 with non Market conditions.

The Directors concluded the following:

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

(p) Earnings per share

(i) *Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group, 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.

2. Significant accounting policies (continued)

(q) Trade receivables

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

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. They are non-interest bearing and are generally on 30 to 60 day terms.

A provision for impairment loss is recognised when there is objective evidence that the Group will not be able to collect all amounts due according to the original trade terms. Collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. Factors considered as objective evidence of impairment include ageing and timing of expected receipts and the creditworthiness of counterparties.

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 uncollectible 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.

(r) 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.

(s) 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.

(t) Accounting standards adopted

The Group has adopted the following new accounting standards that have previously been assessed for their impact on the Group's financial report. There have been no changes in the previous assessment of their impact which is not material to the Group:

AASB 2012-3 *Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities*

AASB 2013-3 *Amendments to AASB 136 – Recoverable Disclosures for Non-Financial Assets*

AASB 2014-1 *Amendments to Australian Accounting Standards (Parts A to C)*

AASB 15 Revenues from contracts with Customers

The Group is still assessing the impact of AASB 9 "Financial Instruments" which was effective 1 January 2017. This may result in a change in level of provision held.

2. Significant accounting policies (continued)

(w) 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.

3. Parent Entity Information

The following details relate to the parent entity, Aspermont Limited, at 30 September 2018. The information presented here has been prepared using consistent accounting policies as presented in note 2.

	2018 $000	2017 $000
Current assets	2,529	1,502
Non-current assets	10,619	14,550
Total assets	**13,148**	**16,052**
Current liabilities	4,555	5,129
Non-current liabilities	2,319	2,363
Total liabilities	**6,874**	**7,492**
Contributed equity	67,744	65,603
Accumulated losses	(61,140)	(57,247)
Reserves:		
Share based payment reserve	909	1,458
Financial asset reserves	(276)	(276)
Other Reserves	(618)	(633)
Currency Translation Reserve	(345)	(345)
Total Equity	**6,274**	**8,560**
Profit / (Loss) for the year	687	(11,088)
Other comprehensive loss for the year	(169)	(547)
Total Comprehensive income / (loss) for the year	518	(11,635)

4. Revenue

	2018 $000	15 Months 2017 $000
Continuing operations:		
Sales revenue – subscriptions and advertising	12,939	14,514
Conferencing revenue	1,092	236
	14,031	**14,750**
Other income:		
Interest	11	317
Exchange gain	175	-
	186	**317**

Amounts contained within other income is income generated through non-core activities such as the disposal of non-core assets.

5. Expenses

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

	2018 $000	15 Months 2017 $000
(a) Expenses:		
Bad debts written off	34	159
Consulting and accounting services	108	190
Depreciation and amortisation of plant, equip and intangible assets	188	622
Directors fees	375	667
Employee benefits expense	3,331	5,573
Foreign exchange gains/(losses)	-	107
Finance costs	22	1,889
Legal costs	(126)	1,875
Rental expense on operating lease	858	1,568
Impairment of intangible assets	-	6,395
Write down of loan receivable	-	39
	4,790	**19,084**
(b) Remuneration of auditors of the parent entity for:		
Auditing or reviewing the accounts – BDO WA	108	134
Auditing or reviewing the accounts – BDO HKG and UK	13	66

6. Taxation

	2018 $000	2017 $000
(a) Income tax expense/(benefit)		
The components of tax expense/ (revenue) comprise:		
Current tax	-	-
Deferred tax	75	839
	75	**839**
The prima facie tax on profit/ (loss) before tax is reconciled to the income tax as follows:		
Profit/(loss) from operations	(868)	(10,776)
Income tax calculated at 27.5% (2017: 30%)	(239)	(3,233)
Tax effect of permanent differences:		
Increase in income tax expense due to:		
Non-deductible expenditure	32	2,460
Tax losses not recognised	297	1,612
Reversal of previously recognised temporary difference	75	-
Decrease in income tax expense due to:		
Derecognise capital losses		
Non-assessable income	(249)	-
Effect of different tax rates of foreign operations	159	-
Income tax expense/(benefit) attributable to profit from ordinary activities	**75**	**839**
Effective tax rate	**-9%**	**-8%**

	2018 $000	2017 $000
(b) Deferred Tax		
Deferred income tax at 30 September relates to the following:		
Liabilities		
Intangible assets in relation to business combinations	2,272	2,347
Other	-	-
Total	**2,272**	**2,347**
Assets		
Provisions	176	121
Future benefit of carried forward losses	2,096	2,174
Fair value gain adjustments	-	52
Other		-
	2,272	**2,347**

6. Taxation (continued)

The movement in deferred tax liabilities for each temporary difference during the year is as follows:

	Intangible assets relating to business combinations $000	Other $000	Total $000
Balance at 1 July 2016	**3,129**	**-**	**3,129**
Credited/(charged):			
- to profit or loss	-	-	-
-to equity	(782)	-	(782)
Currency movements	-	-	-
Balance at 30 September 2017	**2,347**	**-**	**2,347**
Credited/(charged):			
- to profit or loss	-	-	-
-to equity	(75)	-	(75)
Currency movements	-	-	-
Balance at 30 September 2018	**2,272**	**-**	**2,272**

The movement in deferred tax assets for each temporary difference during the year is as follows:

	Provisions $000	Future benefit of carried forward losses $000	Fair value gain adjustments $000	Total $000
Balance at 1 July 2016	**319**	**2,766**	**52**	**3,137**
Credited/(charged):				
- to profit or loss	(198)	(641)	-	(839)
-to equity	-	-	-	-
Currency movements	-	49	-	49
Balance at 30 September 2017	**121**	**2,174**	**52**	**2,347**
Credited/(charged):				
- to profit or loss	55	(130)	-	(75)
-to equity	-	-	-	-
Currency movements				
Balance at 30 September 2018	**176**	**2,044**	**52**	**2,272**

6. Taxation (continued)

	2018 $000	2017 $000
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 – credited directly to equity	(75)	(782)
Tax expense/ (income) relating to items of other Comprehensive income		
Financial assets reserve	-	-

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

	2018 $000	2017 $000
Current		
Trade receivables	2,335	1,127
Other receivables	628	1,106
Allowance for impairment	(1,105)	(1,005)
Total	1,858	1,228
Non-current		
Trade receivables	-	-
Loan – Nomad Limited Partnership	1,911	1,910
Loan – Impairment	(1,911)	(1,910)
Loan – Beacon	5,480	4,485
	5,480	4,485

Trade receivables are recognised and carried at original invoice value less an allowance for any uncollected amounts. They are non-interest bearing and generally on 20 to 60 day terms.

7. Receivables (continued)

A provision for impairment loss is recognised when there is objective evidence that the Group will not be able to collect all amounts due according to the original trade terms. Collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. Factors considered as objective evidence of impairment include ageing and timing of expected receipts and the creditworthiness of counterparties. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows.

Loan - Beacon

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

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

Accounting standards require the amount recognised to be discounted from the expected future value using an arms-length market interest rate and a rate of 12% has been used. While the amount owed of $5.5m has not altered, the accounting standard requires the discounting from the end of the term to initial recognition, resulting in a downward fair value adjustment of $0.9m.

At 30 September 2018 impairment was assessed using the objective evidence available.

Information about the Group's exposure to interest rate risk and credit risk is provided in note 17.

(a) Impaired receivables

As at 30 September 2018 current trade receivables of the Group with a nominal value of $1.1m (2017 – $1.0m) were provided against. Other than small trade receivable provision for customers who are in unexpectedly difficult economic situations, the bulk of the provision relates to trade receivable which was related to Beacon which is now due and the company is undertaking process to recover these amounts.

The ageing of these receivables is as follows:

	2018 $000	2017 $000
1 to 3 months	34	3
Over 3 months	1,071	1,002
	1,105	1,005

7. Receivables (continued)

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

	2018 $000	2017 $000
At 1 October	1,005	46
Allowance for impairment	34	941
Foreign exchange movement	70	11
Receivables written off	(4)	7
	1,105	1,005

The creation and release of the allowance for impaired receivables has been included in “other expenses” in the Statement of Profit or Loss. Amounts charged to the provision are generally written off when there is no expectation of recovering additional cash.

(a) Past due but not impaired

As at 30 September 2018, trade receivables of $0.6m (2017: $0.08m) were past due but not impaired. These are not considered impaired due to the geographical location resulting in a delay in receiving payment. Trade receivables include revenues deferred. The ageing analysis of these trade debtors is as follows:

	2018 $000	2017 $000
1 to 3 months	480	81
Over 3 months	122	6
	602	87

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 17.

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 assets

	2018 $000	2017 $000
Prepayments	527	219
	527	219

Prepayments consist of insurance and rent that are recognised over the relevant period.

9. Plant and equipment

	Consolidated 2018 $000	Consolidated 2017 $000
Plant And equipment – at cost	1,709	1,606
Accumulated depreciation	(1,585)	(1,522)
	124	84
Equipment under finance lease – at cost	105	105
Accumulated depreciation	(105)	(104)
	-	1
Total plant and equipment	124	85

9. Plant and equipment (continued)

(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.

	Plant and equipment $000	Leased Plant and equipment $000	Total $000
Gross carrying amount			
Balance at 1 July 2016	**1,863**	**105**	**1,968**
Additions	20	-	20
Currency movements	-	-	-
Disposals	(254)	-	(254)
Balance at 30 September 2017	**1,629**	**105**	**1,734**
Additions	74	-	74
Currency movements	6	-	6
Disposals	-	-	-
Balance at 30 September 2018	**1,709**	**105**	**1,814**
Accumulated Depreciation			
Balance at 1 July 2016	**(1,710)**	**(103)**	**(1,813)**
Depreciation expense	(68)	(1)	(69)
Currency movements	16	-	16
Disposals	217	-	217
Balance at 30 September 2017	**(1,545)**	**(104)**	**(1,649)**
Depreciation expense	(35)	(1)	(36)
Currency movements	(5)	-	(5)
Disposals	-	-	-
Balance at 30 September 2018	**(1,585)**	**(105)**	**(1,690)**
Net Book Value			
As at 30 September 2017	84	1	85
As at 30 September 2018	124	-	124

(b) Leased plant and equipment

The parent entity leases assets under a number of finance lease agreements. At 30 September 2018, the net carrying amount of leased plant and equipment was $nil (2017: $1,000). The leased equipment secures lease obligations.

10. Intangible assets

Consolidated	Goodwill $000	Software $000	Purchased mastheads $000	Other acquired assets $000	Total $000
Gross carrying amount					
Balance at 1 July 2016	19,956	3,234	10,555	1,275	35,020
Additions	-	410	-	-	410
Currency movements	(621)	(39)	(467)	-	(1,127)
Disposals	(6,357)	(407)	-	-	(6,764)
Balance at 30 September 2017	**12,978**	**3,198**	**10,088**	**1,275**	**27,539**
Additions	-	651	-	-	651
Currency movements	461	37	494	-	992
Disposals	-	-	-	-	-
Balance at 30 September 2018	**13,439**	**3,886**	**10,582**	**1,275**	**29,182**
Accumulated Amortisation					
Balance at 1 July 2016	**(13,418)**	**(2,679)**	**-**	**(1,194)**	**(17,291)**
Amortisation expense	-	(433)	-	(81)	(514)
Impairment	(3,780)	-	(2,615)	-	(6,395)
Currency movements	300	38	30	-	368
Disposal	3,920	407	-	-	4,327
Balance at 30 September 2017	**(12,978)**	**(2,667)**	**(2,585)**	**(1,275)**	**(19,505)**
Amortisation expense	-	(152)	-	-	(152)
Impairment	-	-	-	-	-
Currency movements	(461)	(16)	(206)	-	(683)
Disposals	-	-	-	-	-
Balance at 30 September 2018	**(13,439)**	**(2,835)**	**(2,791)**	**(1,275)**	**(20,340)**
Net Book Value					
As at 30 September 2017	**-**	**531**	**7,503**	**-**	**8,034**
As at 30 September 2018	**-**	**1,051**	**7,791**	**-**	**8,842**

The Group has allocated goodwill, software, purchased mastheads and other acquired assets to the Publishing cash generating units ("CGU"):

10. Intangible assets (continued)

a) Determination of Recoverable Amounts
The recoverable amount of the CGUs, which are classified within Level 3 of the fair value hierarchy, is determined based on value in use using discounted cash flow projections based on financial forecasts covering a five-year period with a terminal growth rate applied thereafter. The Group determined that each of the components of Publishing (Print, Online and Events) to be a CGU.

The Group performed its annual impairment test in September 2018.

The cash flow projections which are used in determining any impairment require management to make significant estimates and judgements. Key assumptions in preparing the cash flow projections are set out below. Each of the assumptions is subject to significant judgement about future economic conditions and the ongoing structure of the publishing and digital industries. Management has applied their best estimates to each of these variables but cannot warrant their outcome. Management has determined that there is no impairment as at 30 September 2018. In determining that no impairment was required at 30 September 2018, Management also took into consideration that the market capitalisation of the Group was above the book value of its equity.

b) Impairment losses recognised
As a result of the analysis performed, there is headroom in the Group's CGU (the recoverable value exceeded the carrying amount) and management did not identify an impairment charge (2017: $6.4m impairment was recognised due to lower than previously expected growth forecast in the mining advertising market).

c) Key assumptions
The key assumptions on which management has based its cash flow projections when determining the fair value less cost of disposal calculations are set out below. These assumptions are considered to be consistent with industry market participant expectations.

Cash flow forecasts were used based on the EBITDA for the CGU for the Group's latest five-year business plan approved by the board on the following basis:

- Year 1 cash flows - Based on current forecast in line with Board approved budgets.
- Year 2-5 cash flows:
  - Average EBITDA growth of 152% as a result of the following underlying assumptions:
  - A revenue growth of 2% has been assumed for print advertising in line with current performance and management's expectation of market development.
  - Revenue growth of 16% is assumed for digital businesses based on market maturity of established products, continued roll-out, introduction of new services through product extensions and continued channel development.
  - Revenue growth of 17% in subscriptions – these assumptions are in line with current performance, industry trends and management's expectation of market development.
  - Revenue growth of 50% in Mining events – these assumptions are in line with current performance, and management's expectation of market development
  - A lower expense growth as a result of the digital platform relative to the growth in revenues as the business continues to scale.
  - Expansion of new Publishing initiatives as it improves penetration in North American market, roles out new products and services.
  - Expenses expected to grow in line with business expansion.

10. Intangible assets (continued)

- Terminal Growth rate of 2% (30 September 2017: 2%) based on accepted principles of a mature business operating in a stable environment for the foreseeable future.
- The pre-tax discount rate applied to the cash flow projections was 16% (30 June 2017: 14%) which reflects management's best estimate of the time value of money and the risks specific to Publishing market not already reflected in the cash flows. The change in the discount rate applied reflects the capital structure of the Group with zero debt and increased expectation of shareholder equity returns in line with market improvements.

d) Sensitivity

The calculations are sensitive to changes in key assumptions as set out below:

The recoverable amount of the CGU would equal the carrying amount if the key assumptions were to change as follows:

- Discount rate – increase from 16.0% to 43.5%,
- Terminal growth rate – decrease from 2% to -635%
- Year 1 to 5 cash flow forecasts – reduction of 70% EBITDA year on year.

The Mastheads support the brand acquired which has been publishing for a significant period of time (circa 100 years) and although content is distributed both in print and digital format, both content is driven off the mastheads which have not changed and the same brand content is marketed. There is no reason for these mastheads not be used indefinitely given the brand recognition and market position.

11. Trade and other payables

	2018 $000	2017 $000
Current		
Unsecured Liabilities		
Trade payables	2,248	1,638
Sundry creditors and accrued expenses	1,792	1,759
Annual leave payable	462	350
	4,502	3,747

Trade and other payables are carried at amortised cost. Liabilities are brought to account for amounts payable in relation to goods received and services rendered, whether or not billed to the Group at reporting date. The Group operates in a number of diverse markets, and accordingly the terms of trade vary by business. Terms of trade in relation to trade payables are, on average, 30 to 60 days from the date of invoice.

Information about the Groups' exposure to risk is provided in note 17.

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

12. Income in advance

	2018 $000	2017 $000
Current		
Opening balance	2,803	5,788
Net movement during the year	1,390	(1,855)
Disposal of Beacon	-	(1,130)
	4,193	2,803

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

13. Issued capital

	2018 #	2017 #	2018 $000	2017 $000
Fully paid ordinary shares	**2,083,294,903**	**1,856,225,458**	**67,744**	**65,604**
Ordinary shares				
At the beginning of the reporting period	1,856,225,458	958,700,907	65,604	56,433
Shares issued during the year:				
Rights issue	196,794,900	68,217,100	2,050	714
Shares issued as part of debt/equity conversion	-	581,429,406	-	5,814
Private placement of fully paid ordinary shares	-	229,516,500	-	2,900
Share issue costs	8,205,100	10,500,000	(169)	(335)
Employee share issue	22,069,445	7,861,545	259	78
At Reporting date	**2,083,294,903**	**1,856,225,458**	**67,744**	**65,604**

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 Group successful. Participation in the plan is at the Board's discretion.

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

13. Issued capital (continued)

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

10,000,000 options were granted under the plan during the year. The table below summaries options in issue for the Consolidated and parent entity:

	Balance at the 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	Weighted Average Exercise Price
2018	323,577,323	10,000,000	-	-	333,577,323	333,577,323	3c
2017	5,000,000	323,577,323	-	(5,000,000)	323,577,323	323,577,323	3c

Of the above options, 20,000,000 expire 31 July 2020, 10,000,000 expire 12 December 2022 and 303,577,323 expire 30 September 2025.

The weighted average share price during the financial year was 1.0 cents (2017: 0.9 cents).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 3.72 years (2017: 7.79 years).

(c) Employee Performance Rights

The Company issued 45,000,000 Performance Rights during the reporting period to a director and employees pursuant to the Aspermont Performance Rights Plan ("The Plan").

No Performance Rights vested during the year.

At 31 March 2018, the Company had the following unlisted Performance Rights in issue:

Performance Rights – Managing Director (exercise price Nil)	27,000,000
Performance Rights – Employees (exercise price Nil)	18,000,000
Total Performance Rights on issue at 31 March 2018	45,000,000

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

13. Issued capital (continued)

Performance Rights were issued in two tranches:

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

Once vested, the Performance Rights remain exercisable for a period of four years. Performance Rights Shares are granted under the Plan for no consideration and carry no voting rights during the vesting period.

The Performance Rights have an implied service condition meaning the Directors and Employees must remain employed for the entire period.

The Tranche 1 Performance Rights were valued for a total of $270,000 being expensed over the vesting period, with $60,000 charged to the Consolidated Income Statement for this reporting period. This is based on a share price of $0.01 and management's assessment of probability of achieving the performance conditions was set at 100%. This is reflected in the share based payment expense at 31 March 2018.

The fair value of Tranche 2 Performance Rights were determined to be $0.00767 per right. The fair value at grant date was independently assessed using a model that combines Trinomial and Monte Carlo methodologies and utilises the correlations, betas and volatilities of Aspermont, the S&P/ASX 300 Index and its constituents.

The model inputs for the rights granted included:

- Rights are granted at no consideration
- Grant date: 1 February 2018
- Vesting Period: three years
- Expiry date: seven years from issue
- Expected future price volatility of shares: 85.2%
- Risk free rate: 2.05%
- Dividend yield: n/a

The Tranche 2 Performance Rights were valued for a total of $207,090 being expensed over the vesting period based on fair value of $0.00767, with $46,020 charged to the Consolidated Income Statement for this reporting period.

(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.

13. Issued capital (continued)

Other reserve

The put and call option reserve represents a provision for the purchase on the non-controlling interest in Beacon Events Limited.

(d) Capital risk management

The Group'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 regularly reviewing working capital requirements and projected cashflow needs of the business. Further information regarding the liquidity and capital risk maintained by the Group is disclosed in Note 17 (c).

The gearing ratios at 30 September 2018 and 30 September 2017 were as follows:

	2018 $000	**2017 $000**
Total Borrowings	(5)	85
Less: cash and cash equivalents	(2,059)	(1,342)
Net debt	(2,064)	(1,257)
Total equity	9,671	8,560
Total capital	7,607	7,303
Gearing ratio	(27%)	(17%)

14. Particulars in relation to controlled entities

Name of Entity	**Place of Incorp.**	**Class of share**	**Economic Entity Interest 2018 %**	**Economic Entity Interest 2017 %**
Parent entity:				
Aspermont Limited	NSW			
Controlled Entities:				
Resourceful Events Pty Ltd	NSW	Ord	100	100
Corporate Intelligence & Communications Pty Ltd	WA	Ord	100	100
Kondinin Information services Pty Ltd	WA	Ord	100	100
Aspermont Media Limited	UK	Ord	100	100
Aspermont (Hong Kong) Ltd	HKG	Ord	100	100
Aspermont Brazil Ltd	Brazil	Ord	100	100
E-Farming	NSW	Ord	100	100

15. Cash flow information

	2018 $000	2017 $000
(a) Reconciliation of cash and cash equivalents		
Cash at the financial year as shown in the statement of Cash Flows is reconciled to items in Statement of financial Position as follows:		
Cash at bank and on deposit	2,059	1,342
	2,059	1,342
(b) Reconciliation of operating profit/ (loss) after tax to net cash from operating activities		
Loss after income tax	(943)	(887)
Non-cash flows in profit / (loss)		
Depreciation and amortisation	188	583
Impairment of loan receivable	-	(387)
Profit on sale of subsidiary	-	(9,501)
Impairment of intangible assets	-	6,395
Revaluation of loan receivable	(995)	-
Non-cash income tax expense	75	737
Share based payments	109	-
Non-cash items	(511)	1,770
Change in assets and liabilities:		
(Increase)/Decrease in receivables	(630)	2,507
Increase/(Decrease) in creditors and accruals	885	(2,840)
Increase/(Decrease) in unearned revenue	1,391	(2,986)
(Decrease) in provisions	-	(49)
Decrease in income taxes payable	(5)	(374)
Increase in deferred taxes payable	-	6
Net cash used in operating activities	(436)	(5,026)

As at 30 September 2018, the Group had non-cash financing activities of $nil (2017: $1.1m) as a result of the conversion of the convertible notes.

16. Key management personnel and related party disclosures

(a) Key management personnel compensation

	2018 $	2017 $
Short-term employee benefits	1,692,700	1,791,328
Post-employment benefits	66,309	94,085
Long-term employee benefits	-	-
Share based payments	83,010	-
	1,842,019	1,885,413

Detailed remuneration disclosures are provided in the audited remuneration report on pages 17 to 28 of the Directors' Report.

(b) Liabilities and loans from director related entities

	2018 $	2017 $
Unsecured loans		
Beginning of year	47,269	3,331,000
Loan advances	841,494	-
Loan repayments	(932,232)	(319,629)
Loan transfer to related party	-	(254,672)
Loan conversion to ordinary shares(1)	-	(2,778,520)
Interest charged at 9.5% (2017: 9.5%)	-	69,090
End of year	**(43,469)**	**47,269**

(1) The Company sought and was granted approval from shareholders to convert loans from related parties into equity.

Detailed loan movements are disclosed in the audited remuneration report on pages 17 to 28 of the Directors' Report. Conversion of debt into ordinary shares is further disclosed in note 16.

16. Key management personnel and related parties disclosures (continued)

(c) Convertible debt with key management personnel and director related entities

	2018 $	2017 $
Unsecured loans		
Beginning of year	-	2,616,531
Loan advances	-	(666)
Loan transfer from related party	-	200,591
Loan repayments	-	-
Loan conversion to ordinary shares	-	(2,611,913)
Interest charged at 10% (2017: 10%)	-	27,098
Finance charge arising from ratchet feature	-	(231,641)
End of year	-	-

The settlement of the convertible debt during the period ended 30 September 2017 gave rise to a finance charge. The finance charge arising from the convertible notes was a total of $821,501. The finance charge arose through accelerated interest arising from the convertible debt which granted additional shares and options to the relevant holders.

(d) Other transactions with key management personnel and director related entities

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

The Group leases its principal office facility from Ileveter Pty Ltd, a company associated with a director, Mr A.L Kent. The rent paid was at market rates at the time of lease inception. The lease agreement has a term of five years expiring 30 October 2022.

	2018 $	2017 $
Rental expense for principal offices	487,699	796,479

At 30 September 2018 the Company owed $47,500 (2017: $130,000) in unpaid Director Fees to current Directors of the Company.

17. 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 US dollar and to a lesser extent 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.

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.

A 10% strengthening/weakening of the Australian dollar against the following currencies at 30 September 2018 and 30 September 2017 would have increased/(decreased) profit or loss by the amounts shown in the following table. The analysis assumes that all other variable, in particular interest rate remain constant.

	2018 $000	2017 $000
GBP	(180)	(121)
Total	(180)	(121)

17. Financial risk management (continued)

(a) Market risk

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

	USD	EUR	USD	EUR
	2018		2017	
	$000	$000	$000	$000
Financial assets				
Trade and other receivables	423	51	261	107
Non-current receivables	5,480	-	4,485	-
Total	5,903	51	4,746	107

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 $295,000 lower/higher (2017: $127,925 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 $2,500 lower/higher (2017: $402,370 lower/higher).

(b) Credit Risk

Credit risk is the risk that 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. As the profile of the revenue comprises a very large number of small customers, the Group accepts some amount of credit risk but has historically experienced no significant loss.

All cash balances are on deposit with banks that have S&P Long Term credit ratings of A in the UK and AA in Australia.

The consolidated entity's total capital is defined as the shareholders' net equity plus net borrowings, and amounted to $9.7m at 30 September 2018 (2017: $8.7m). 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.

17. Financial risk management (continued)

(c) Liquidity and capital risk

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 has historically maintained backup liquidity for its operations and currently maturing debts through its financial asset portfolio.

The following tables analyse the consolidated entity's financial liabilities into maturity groupings based on the remaining period from the reporting 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 September 2018:

	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Total contractual Cashflows	Carrying Amount
	$000	$000	$000	$000	$000	$000
Non-derivatives						
Trade and other payables	3,631	-	-	-	3,631	3,631
Borrowings	39	-	-	-	39	39
	3,670	**-**	**-**	**-**	**3,670**	**3,670**

Consolidated entity as at 30 September 2017:

	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Total contractual Cashflows	Carrying Amount
	$000	$000	$000	$000	$000	$000
Non-derivatives						
Trade and other payables	2,583	-	-	-	2,583	2,583
Borrowings	85	-	-	-	85	85
	2,668	**-**	**-**	**-**	**2,668**	**2,668**

17. Financial risk management (continued)

(c) 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:

	Weighted average interest rate	Balance	Weighted average interest rate	Balance
	2018		2017	
		$000		$000
Financial Assets				
Cash and cash equivalents	0.00%	2,059	0.00%	1,342
Trade and other receivable	-	1,858	-	1,240
Non-current receivable	-	5,480	-	4,481
Financial Liabilities				
Trade and other payables	-	2,347	-	3,689
Related party borrowings	9.50%	39	9.50%	85
Convertible notes	-	-	-	-

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. Refer to note 2 for the method used to fair value the non-current receivable.

18. 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:

2018	**Publishing $000**	**Conferencing $000**	**Total $000**
Revenue			
Advertising – Digital	3,003		3,003
Advertising – Print	3,946		3,946
Subscriptions	5,737		5,737
Research & Data	145		145
Events & Other revenue	1,200		1,200
Total segment revenue	14,031		**14,031**
Revenue by Geography			
Australia/ Asia	9,567		9,567
Europe	1,831		1,831
America	2,633		2,633
Other			
Total revenue	14,031		**14,031**
Result			
Segment result	2,568		**2,568**
Unallocated items:			
Corporate overheads and provisions	(3,885)		(3,885)
Depreciation	(36)		(36)
Amortisation	(152)		(152)
Impairment of intangible assets	-		-
Other income	186		186
Share based payments	(109)		(109)
Finance costs	(24)		(24)
Loan revaluation	584		584
Profit for year before income tax	(868)		**(868)**
Segment assets	16,386		**16,386**
Unallocated assets:			
Cash			2,058
Deferred tax asset			2,479
Other assets			-
Total assets			**20,923**
Liabilities	8,702		**8,702**
Unallocated liabilities:			
Provision for income tax			(5)
Deferred tax liabilities			2,479
Borrowings			76
Total liabilities			**11,252**

18. Segment information (continued)

15 Months Ended 2017	Publishing $000	Conferencing $000	Discontinued Operation $000	Total $000
Revenue				
Advertising – Digital	3,540	-	-	3,540
Advertising – Print	5,133	-	-	5,133
Subscriptions	5,750	-	-	5,750
Conferencing & Other revenue	137	190	9,394	9,721
Total segment revenue	14,560	190	9,394	**24,144**
Revenue by Geography				
Australia/ Asia	8,727	190	9,394	18,311
Europe	5,833	-	-	5,833
Other	-	-	-	-
Total revenue	14,560	190	9,394	**24,144**
Result				
Segment result	2,785	54	1,141	**3,980**
Unallocated items:				
Corporate overheads	(5,737)			(5,737)
Depreciation	(497)			(497)
Amortisation	(86)			(86)
Impairment of intangible assets	(6,395)			(6,395)
Other income	356			356
Gain on disposal of discontinued operation			9,587	9,587
Finance costs	(1,358)			(1,358)
Profit for year before income tax				**(150)**
Segment assets	13,813	-	-	**13,813**
Unallocated assets:				
Cash				1,341
Deferred tax asset				2,347
Other assets				-
Total assets				**17,501**
Liabilities	6,580	-	-	**6,580**
Unallocated liabilities:				
Provision for income tax				-
Deferred tax liabilities				2,347
Borrowings				16
Total liabilities				**8,944**

18. Segment information (continued)

Reconciliation of reportable segment profit or loss:

Description of segments:

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

In line with the ongoing development and strategy of the Group's trading business, the reporting segments have in the current reporting period has been reduced to one category, being Publishing (a combination of the Print, Digital and Events)

The segments derive revenue from the following products and services:

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

Segment revenue and expenses:

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

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

	2018 $000	2017 $000
(a) Basic loss per share (cents per share)	(0.05)	(0.05)
(b) Diluted loss per share (cents per share)	(0.05)	(0.05)
(c) Loss used in calculating earnings per share		
Loss attributable to the ordinary equity holders of the company used in calculating basic and diluted loss per share	(943)	(887)
(d) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares outstanding during the year used in calculating basic earnings per share	1,953,474,720	1,856,225,458
Options	333,577,323	323,577,323
Weighted average number of ordinary shares outstanding during the year used in calculating diluted earnings per share	1,953,474,720	1,657,080,744
Options granted to employees under the employee option scheme are considered to be potential ordinary shares and are 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 13.	-	-

20. Operating lease commitments

	2018 $000	2017 $000
Operating lease commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Not later than 12 months	876	109
Between 12 months and 5 years	683	14
	1,559	123

21. Discontinued operation

(a) Description

On 15th May 2017 the Group disposed of its 60% shareholding in its events business, Beacon Events Limited ("Beacon"). This resulted in a gain of $9.6 million.

The Group did not have access to books and records at the date of the disposal and accordingly net profit from discontinued operations has been recognised based on management's best estimate of the unaudited financial information in relation to Beacon.

(b) Financial performance and cash flow information

The financial performance and cash flow information presented is for the period 1 July 2016 to 15 May 2017 and the period ended 30 September 2017.

	2018 $'000	2017 $'000
Revenue	-	9,394
Other income	-	-
Expenses	-	(8,373)
Profit before income tax	-	**1,021**
Income tax benefit/(expense)	-	120
Gain on sale of discontinued operation (refer c)	-	9,587
Profit after income tax of discontinued operation	-	**10,728**
	-	
Exchange differences on translation of discontinued operations	-	**(684)**
Other comprehensive income from discontinued operations	-	**10,044**
	-	
Net cash inflow from operating activities	-	**810**
Net cash inflow/(outflow) from investing activities	-	**93**
Net cash (outflow) from financing activities	-	**-**
Net increase in cash generated by subsidiary	-	**903**

21. Discontinued operation (continued)

(c) Sale Consideration

Details of the fair value of assets, liabilities and disposed intangible assets are as follows:

	2017 $'000
Consideration received or receivable:	
Cash**	4,192
Loan Receivable	
Loan receivable (refer to Note 7)	5,755
Fair value adjustment (refer to Note 7)	(1,274)
Total fair value receivable	4,481
Total consideration	**8,673**
Carrying amount of net assets sold	(791)
Gain on sale before income tax and reclassification of foreign currency translation reserve and non-controlling interest	**7,882**
Reclassification of foreign currency translation reserve and non-controlling interest	1,705
Income tax expense on gain	-
Gain on sale after income tax	**9,587**

**Net cash consideration received was $4,124,000 as a legal fee of $68,000 was deducted from the gross cash of $4,192,000.

22. Events subsequent to the year end

There were no events subsequent to the end of the year end that require disclosure.

23. Contingent Liabilities

The company is reviewing whether certain payments in relation to services provided to the Group are assessable in the U.K. for payroll taxes by the Company. The regulations in this area are complex and dependent on individual circumstances and judgement applied, the result of which is that the company is unable to reliably estimate the potential exposure at this time if any.

In the directors' opinion:

1. the financial statements and notes set out on pages 33 to 86 are in accordance with the *Corporations Act 2001*, including:

   a) complying with Australian Accounting Standards, the *Corporations Regulation 2001* and other mandatory professional reporting requirements; and

   b) giving a true and fair view of the consolidated entity's financial position as at 30 September 2018 and of its performance for the financial year ended on that date; and

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

Note 2 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

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

A. Kent
Director

Perth
28 December 2018

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INDEPENDENT AUDITOR'S REPORT

To the members of Aspermont Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Entity Name (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 September 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the Corporations Act 2001, including:

(i) Giving a true and fair view of the Group's financial position as at 30 September 2018 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying value of intangible assets

Key audit matter	How the matter was addressed in our audit
At 30 September 2018, the carrying value of intangibles is disclosed in Note 2 (o) and Note 10. An annual impairment test for intangible assets with indefinite useful lives is required under Australian Accounting Standard (AASB) 136 Impairment of Assets. The assessment of the carrying value of the intangible assets is considered to be a key audit matter due to the significance of the asset to the Group's consolidated financial position and that the impairment assessment requires management to make significant judgements and estimates in determining the recoverable amount, which includes the modelling of a range of assumptions and estimates that are impacted by future performance and market conditions. Refer to Note 2(h) and Note 2(o) for the detailed disclosures which includes the significant accounting estimates and judgements	Our procedures included but were not limited to: • Assessing the assumptions and methodologies used by the Group in the preparation of the discounted cash flow models; • Evaluating management's ability to accurately forecast cash flows by assessing the prior year forecast against actual outcomes; • Challenging key inputs used in the discounted cash flows calculations including the terminal value and growth rates applied to the EBITDA calculation; • In conjunction with our internal valuation specialist, comparing the discount rate utilised by management to an independently calculated discount rate; • Comparing the Group's forecast cash flows to the board approved budget; • Performing sensitivity analysis on the revenue growth rates and discount rates including corroborating our work against external information which includes market capitalisation; and\ • Evaluating the adequacy of the related disclosures in Note 2(o) and Note 10 to the financial report.

Carrying value of loan receivable from Beacon Events Limited

Key audit matter	How the matter was addressed in our audit
At 30 September 2018, the carrying value of the Beacon Events Limited loan receivable is disclosed in Note 2(o) and 7. In accordance with the Group's accounting policy as disclosed in Note X, management are required to assess whether there is any objective evidence as a result of one or more events that comes to the attention of the Group that a financial asset is impaired. Due to the quantum of the asset and the subjectivity involved in determining whether there is any objective evidence of impairment of the loan receivable, we have determined that the carrying value of the Loan Receivable from Beacon Events Limited is a key audit matter.	Our procedures included but were not limited to: • Evaluating management's assessment in relation to the existence of indicators of impairment in accordance with AASB 139 Financial Instruments: Recognition and Measurement; • Holding discussions with management to understand the industry outlook and financial performance of the lender; • Reviewing of terms and conditions of the loan agreement and assessing whether there were any indicators of breach or default; • Considering whether there were any other data that exists which constitute indicators of impairment; and • Evaluating the adequacy of the related disclosures in Note 2(o) and Note 7 to the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 September 2018, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 29 of the directors' report for the year ended 30 September 2018.

In our opinion, the Remuneration Report of Aspermont Limited, for the year ended 30 September 2018, complies with section 300A of the Corporations Act 2001.

Responsibilities

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.

BDO Audit (WA) Pty Ltd

BDO

Phillip Murdoch

Director

Perth, 28 December 2018

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

a) Shareholding

Ordinary Share Capital

2,083,294,903 (2017: 1,856,225,458) shares are held by 316 (2017: 451) individual holders. All issued ordinary shares carry one vote per share.

Distribution of Shareholders Number

Category (size of holding)	Ordinary shares 2018	Ordinary shares 2017
1 – 1,000	14	49
1,001 – 5,000	2	18
5,001 – 10,000	9	51
10,001 – 100,000	44	103
100,001 – and over	247	230
	316	**451**

The number of shareholdings held with less than marketable parcel is 189 (2017:189).

b) Share Options (Unquoted)

Number of Options	Number of Holders	Exercise Price	Date of Expiry
10,000,000	2	3c	31 July 2020
10,000,000	2	1c	31 July 2020
10,000,000	1	3c	12 December 2022
303,577,323	7	3c	30 September 2025

c) Unlisted Performance Rights

Number of Rights	Number of Holders
45,000,000	3

d) Company Secretary

The name of the Company Secretary is Mr David Straface.

e) 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

f) Register of Securities

The register of securities is held at the following address:
Automic Registry Services
Level 2, 267 St. Georges Tce, Perth WA, 6000

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 under the symbol ASP.

g) Substantial Shareholders

	Name	Number of Ordinary fully paid shares held	% Held of Issued Ordinary Capital
1	Mr. Andrew Kent and beneficial interests	566,780,087	27.21%
2	Mr. John Stark and beneficial interests	385,897,000	18.52%
3	Mr. Alex Kent and beneficial interests	259,749,245	12.47%

h) 20 Largest Shareholders – Ordinary shares

Position	Holder Name	Holding	% IC
1	DRYSDALE INVESTMENTS LIMITED	325,329,709	15.62%
2	ALLANDALE HOLDINGS PTY LTD	277,852,083	13.34%
3	MEGA HILLS LIMITED	259,698,245	12.47%
4	ANNIS TRADING LIMITED <HONG KONG A/C>	159,771,150	7.67%
5	BLUE SEA INVESTMENT HOLDINGS PTY LTD <AJAX SUPER FUND A/C>	81,458,334	3.91%
6	ALLAN DALE REAL ESTATE PTY LTD <SUPER FUND A/C>	71,959,584	3.45%
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	46,844,141	2.25%
8	MRS TRACY FRASER	45,294,900	2.17%
9	YARANDI INVESTMENTS PTY LTD <GRIFFITH FAMILY NO 2 A/C>	41,245,032	1.98%
10	GINGA PTY LTD	35,777,112	1.72%
11	NATIONAL NOMINEES LIMITED	34,999,900	1.68%
12	KEISER SHIPPING & TRANSPORT PTY LTD	32,500,000	1.56%
13	ALCARDO INVESTMENTS LIMITED <STYLED 102501 A/C>	32,050,000	1.54%
14	BLACKCOURT (NSW) PTY LIMITED <LAWSAM SUPER FUND A/C>	29,506,667	1.42%
15	RIBO TRUST	28,000,000	1.34%
16	MR JOHN STARK & MRS JULIE STARK <ALLAN DALE R/ESTATE S/F A/C>	25,857,000	1.24%
17	CLAYMORE CAPITAL PTY LTD	22,526,243	1.08%
18	GLACIER MEDIA INC	17,274,634	0.83%
19	GINGA PTY LTD <TG KLINGER S/F A/C>	15,258,155	0.73%
20	MIGHTY RIVER INTERNATIONAL LIMITED	14,806,856	0.71%
	Total	**1,598,009,745**	**76.61%**
	Total issued capital - selected security class(es)	**2,083,294,903**	**100.00%**