Aspermont

Information for Industry

ABN: 66 000 375 048

ANNUAL REPORT

For the financial period ended

30 September 2017

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CORPORATE DIRECTORY

Directors
Andrew Leslie Kent
John Stark (Appointed Alternate Director May 2017)
Colm O'Brien (resigned May 2017)
Alex Kent
Rhoderic Whyte (resigned May 2017)
Geoffrey Donohue (appointed October 2016)
Christian West (appointed May 2017)
Clayton Witter (appointed May 2017)

Company Secretary
David Straface

Key Management Personnel
Alex Kent – Managing Director, Group
Nishil Khimasia – Chief Financial Officer, Group
Robin Booth – General Manager Publishing
Ajit Patel – Chief Operating Officer, Group

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Solicitors
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

Australian Stock Exchange Limited
ASX Code : ASP

Website
www.aspermont.com

FY 17 Results - Improved Margins and a Return to Positive Earnings.

Aspermont, the leading media services provider to the global resources industry, announces its results for the fifteen months ended 30 September 2017 following the change of balance sheet date to September 30th.

Aspermont Key Achievements; FY 2017

- Return to profitability, both at an EBITDA and net profit after tax level
- Elimination of long-term debt
- Sale of shares in problematic Beacon Events joint venture

For the 15 month FY17 period the business reported:

- Revenue of $14.8; at +1% growth at constant currency over prior comparable period (pcp)
- Improved Gross Operating Gross margin of 16% versus 10% pcp and;
- Normalised EBITDA[1] of $0.1m reversing EBITDA loss reported in pcp.
- Improved cashflow and liquidity[2] of +$0.5m
- Reduced balance sheet debt from $8.3m to $0.1m

The company is now cashflow generative from normalised operations[3] and has a positive cash balance of $1.3m.

After 4 years of revenue contraction and negative earnings, Aspermont is now growing its top line, bottom line profits with improving gross margins. We are entering what should prove to be an exciting phase of 'accelerated growth and profitability' and we are firmly focussed on executing to plan.

Aspermont has been reinvigorated by new management, a new board and completion of a 2 year structural and technological transformation. The company's digital media platform (codenamed: Project Horizon) is now fully in play and Aspermont is set to maximize returns not just from a resurgent resources industry but also through offering new product solutions to complementary sectors such as Agriculture, Energy and Technology.

Aspermont has now entered a new growth phase.

Growth Strategies:

Over the next few years Aspermont will focus on:-

1. Further organic growth in core and ancillary revenue bases
2. Leveraging established infrastructure to scale our model for new markets
3. Targeting other iconic print brands (such as the 200 years old Mining Journal) for potential acquisition and successful digitalization

[1]Normalised EBITDA is after excluding one-time exceptional costs (see appendix 1 on page 14)
[2]Net current working capital is calculated as current assets excluding provisions less current liabilities excluding income in advance and provisions
[3]Normalised Operational cash flow analysis provided in note 20c

Core Revenue Growth & Cross Sell

This image shows the current Aspermont revenue tree. The source of all group revenues are subscriptions and it is through their cross-monetization that our other revenue streams bear fruit.

Our prime strategy over the next 18 months is to continue to build the source of our revenue tree through an aggressive pursuit of new business subscriptions whilst we optimize our existing processes to continue to drive retention rates.

This establishes a platform for us to develop new business lines, in events, data and research. On sustainable profitability being established, additional revenue branches will be developed in our long-term, all encompassing, media offering.

Our cost base and services centres are now globally centralized enabling us to build new revenue divisions with higher margin returns at low investment costs.

Leveraging Model & Expertise

We have built the most important tenement of our commercial model - the rapid commercialization of new digital content through subscriptions. This is underpinned with a flexible technology platform (Project Horizon) The next phase will see us scale our solution - both geographically and by sector. Ass each new branches of our revenue tree is grown it enables us to progressively optimise our solutions.

Aspermont has a considered and disciplined plan to leverage our current model. We will balance competitive advantage, with ease of entry to prioritise development opportunities within our operational capabilities.

Our medium term goal is to complete the global development of our resources sector B2B media model and then to upscale our services in Agriculture and Energy media – where we have already established a dominant position in the Australasian region.

Once these goals have been achieved, we will consider extending our scalable B2B model to the Technology sector.

Cost Synergy & Complementary Acquisitions

While Aspermont's expansionary plans do not rely market entry through acquisition, we are prepared to accelerate future growth by acquisition and subsequent digitalisation true of iconic print titles – as we did after acquisition of Mining Journal in 2008.

Any acquisition must be fit our existing organic growth model and be earnings accretive.

Aspermont's new executive team has brought specific 'change management' expertise into our business with commercial benefits from the digitalization of old brands imported on to Aspermont's Project Horizon platform, and also through cost efficiencies associated with their integration.

Tracking our Performance

Our investor presentation in August 2017 outlined our 12 month execution plan and we invited investors to monitor our progress in achieving those stated goal.

We set out these 4 key areas for monitoring performance:

In the first 3 months of our Execution Plan we have made significant steps in several areas:

- Assembled a new events team to launch our first set of products to the market

    - Resource Stocks (Sydney) May 2018
    - METS Stocks (Sydney) May 2018
    - Future Of Mining (Sydney) May 2018
    - The Mining Journal 30 (London) June 2018

- Launched our new Research business (Aspermont Research & Intelligence Unit) with a successful first product

    - Mining Journal World Risk Report 2017

- Launched our new V4 platform and migrated MiningJounral.com on to the platform

- Achieved an accelerated growth is subscriptions across all 3 key metrics

    - Graph 1 below shows % growth in subscriptions cash quarterly when compared to pcp
    - Table 1 below shows quarterly improvement in key SaaS metrics (as reported to the market in November'17)

Graph 1:

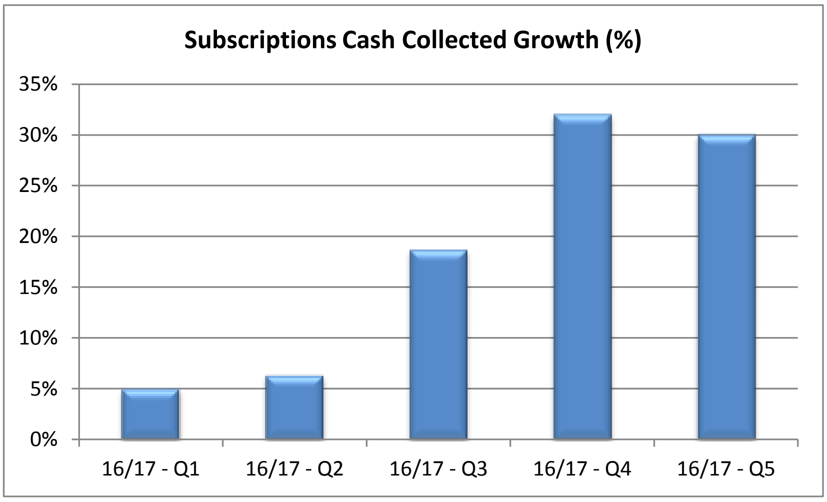


Table 1:

KEY Subscriptions Metrics	**Qtr Ended 30 June 2017**	**Qtr ended 30 Sept 2017**	**IMPROVEMENT**
Orders	7,379	7,956	8%
Renewal Rate (Volume)	78%	79%	1%
Total Contract Value (TCV)	$5.2m	$5.9m	13%
Average Revenue Per Unit (ARPU)	$704	$735	4%
Web Traffic (Sessions)	4.0m	4.5m	12%
Web Traffic (Users)	1.4m	1.6m	13%
Lifetime Years	4.5	4.8	7%
Lifetime Value	$23.6m	$28.2m	20%
Loyalty Index	52%	57%	10%

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.

"Having transformed itself over the last 2 years; at almost every level of the organisation Aspermont has a unique opportunity to deliver high growth over the next few years both from an 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.

"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 are 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.

"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 2 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."

Robin Booth General Manager

Since joining in April 2014 as UK General Manager, Robin has already seen a major turnaround in the UK publications. Previously, Robin 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. Robin brings specialist skills in print, digital publishing and database and information management to the role.

"Through the use of behavioural data and other audience insights; Aspermont has a continual focus on product development for driving increasing customer value. The company was built on the foundations of highest value content, for premium media solutions, for market leading clients.

The sophistication of our technology and our global positioning today enables us to deliver such solutions that our competitors cannot.

As Aspermont continues to build more differentiators, into its digital media model, over the next few years it has an exciting opportunity to do something quite rare if not unique in global B2B media."

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.

"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 2 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.

"I began my involvement with ASP two 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.

"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.

"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 them 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 and;

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:

	September 30 2017 $000	June 30 2016 $000
Loss from continuing operations before income tax expense	**(10,776)**	**(6,510)**
Add back:		
Interest	1,185	1,758
Depreciation and amortisation	561	544
Impairment of receivables	-	203
Impairment of intangible assets	6,395	6,165
Discontinued operations relating to continued operations[1]	869	(76)
Subtract:		
Re-estimation of Beacon put option liability	-	(3,387)
Other income	(317)	(502)
Foreign exchange	-	(363)
Net profit attributable to the non-controlling interest (excluding preferred dividend)	-	359
EBITDA	**(2,083)**	**(1,809)**
Exceptional one-off charges[2]	2,189	710
Normalised EBITDA	**106**	**(1,099)**

[1] While the amounts relating to the discontinued operations have been classified in discontinued operations the gain/(loss) relates to the shareholders of Aspermont.
[2] Exceptional charges are all one-off transformation, divestment, provisions and legal costs.

The Directors present their fifteen-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 period ended 30 September 2017.

Directors

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

Andrew L. Kent
John Stark (appointed Alternate Director May 2017)
Colm O'Brien (resigned May 2017)
Alex Kent
Rod Whyte (resigned May 2017)
Geoffrey Donohue (appointed October 2016)
Christian West (appointed May 2017)
Clayton Witter (appointed May 2017)

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 $11.6 million (2016: loss $6.2 million). The operating profit after tax for discontinued operations was $10.7 million (2016: loss $0.6 million). The consolidated loss after tax for the group was $0.9 million (2016: loss $6.8 million).

Dividends

No dividend has been declared for the year (2016: no dividend).

Review of operations

A review of the operations of the Group during the financial period has been set out in pages 4 to 14 of this report.

Modification to Audit Report

The group auditor has included a qualification in the Audit Report in relation to consolidating the disposed events business results up to the date of disposal and the profit on disposal of the Events business. The Group did not have access to books and records at date of disposal and the information provided is based on management's best estimate of the financial information of the subsidiary at date of disposal. The Group auditor has also included an emphasis of matter paragraph relating to the going concern of the Group. The directors' disclosure on going concern is located in Note 2.

The Directors believe it is appropriate to prepare the financial statements on a going concern basis as there are no matters existing to indicate that the consolidated entity will be unable to manage the matters referred to in Note 2 and above in the next 12 months.

Significant changes in the state of affairs

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

Events subsequent to the end of the period end

In July 2017 Aspermont issued Beacon with a statutory demand for interest payments associated with its July 2020 maturing loan note. The court in BVI set aside the statutory demand on the basis that they believed there was a substantial dispute as to whether those interest payments were due now or in 2020, when the full loan matures. The full loan note, with both principal and compound interest, is payable in 2020 as set out in note 7 of this report.

Mr Andrew Kent will become non-Executive Chairman from 1 October 2017.

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

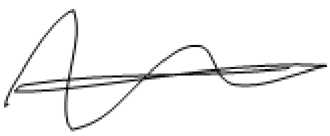
The lead auditor's independence declaration is set out on page 34 and forms part of the director's report for the period ended 30 September 2017.

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 23rd November 2017

Signed in accordance with a resolution of Directors:



Alex Kent
Managing Director

A.L Kent, AAICD Chairman and 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 appointed May 2017

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 26th May 2017.

Other current directorships
None

Former directorships in last 3 years
None

Special responsibilities
None

Interest in shares and options
387,897,000 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 2017

Interest in shares and options
259,749,245 ordinary shares
258,245,641 options

Geoffrey Donohue, B.COM, Grad. Dip Financial Analysis (FINSIA), CPA Lead Independent Director Appointed October 2016

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
20,000,000 ordinary shares

Christian West, FCA CF30/RDR Non-Executive Director Appointed May 2017

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
N/A

Interest in shares and options
2,500,000 ordinary shares

Clayton Witter, BBA Batchelor of Business Administration, & International Marketing Non-Executive Director Appointed June 2017

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
N/A

Interest in shares and options
NIL

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 period ended 30 September 2017, 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	10	10	**	**	**	**
J Stark	7	10	**	**	**	**
A Kent	10	10	2	3	**	**
G Donohue	9	9	3	3	2	2
C West	3	3	2	2	1	1
C Witter	2	3	**	**	0	1
C O'Brien	5	7	**	**	1	1
R Whyte	7	7	**	**	1	1

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

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

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

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

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;
- 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	From 1 July 2016
Executive Chairman	$200,000
Non-Executive Directors	$45,000
Lead Independent Director	$100,000

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 and EBITDA 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 24.

<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 period were based on meeting increase in market share in subscriptions business, 50% of individual KPIs and that specific to individuals. The payments made for this period 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 share options. Share options 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 will seek approval at the forthcoming annual general meeting from shareholders for an Incentive Performance Rights Plan and if granted will issue PR's on an annual basis to executive directors and employees.

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 Executive Director
- Alex Kent – Managing Director
- John Stark – Alternative Director to Mr Andrew Kent (appointed May 2017)
- Geoffrey Donohue – Lead Independent Director (appointed October 2016)
- Christian West – Non-Executive Director (appointed May 2017)
- Clayton Witter – Non-Executive Director (appointed June 2017)
- Rhoderic Charles Whyte – Independent Non-Executive Director (resigned May 2017)
- Colm O'Brien – Non-Executive Director (resigned May 2017)
- Ajit Patel – Chief Operating Officer, Group
- Nishil Khimasia – Chief Financial Officer, Group
- Robin Booth – General Manager, Group
- C Maybury – Director, Beacon Events (until May 2017)

Details of Directors and key management personnel of the Group remuneration for the 15 months ended 30 September 2017 are as follows:

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 period 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.
8. Due to the matters described in the Modification to Audit Report disclosed on page 15 of the Directors report, the remuneration of C Maybury has not been disclosed in the remuneration table above. Accordingly, the auditor has included a qualification in the auditors report in relation to the completeness or existence of the Key Management Person's remuneration for the 15 month period to 30 September 2017.

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

2016	Short-term employee benefits			Share based payments	Long term employee benefits	Post-employment benefits	
Name	Cash salary or fees	Bonus	Non-monetary benefits	Options	Long service leave	Super-annuation/ Pension	Total
Executive directors							
A.L Kent (Chairman)	-	-	-	-	-	-	-
A Kent [1]	305,691	-	13,030	-	-	-	318,721
Sub-total	305,691	-	13,030	-	-	-	318,721
Non-executive directors							
J Stark	-	-	-	-	-	-	-
C O'Brien [4]	43,390	-	13,152	-	2,137	3,983	62,662
R Whyte	-	-	-	-	-	-	-
Sub-total	43,390	-	13,152	-	2,137	3,983	62,662
Other key management personnel							
R Booth [1]	244,553	-	7,844	-	-	17,119	269,516
N Khimasia [1], [3]	135,863	33,966	-	-	-	-	169,829
A Patel [1]	305,691	-	6,725	-	-	30,569	342,985
C Maybury [2]	310,619	-	-	-	-	-	310,619
Sub-total	996,726	33,966	14,569	-	-	47,688	1,092,949
Total (Group)	1,345,807	33,966	40,751	-	2,137	51,671	1,474,332

1. UK executive remuneration, paid in British Pounds, have been converted to Australian Dollars at the average exchange rate over the twelve months ending 30 June 2016.
2. Hong Kong executive remuneration, paid in HKD, have been converted to Australian Dollars at the average exchange rate over the twelve months ending 30 June 2016. Amount of $72,887 is in dispute in respect of post-employment benefits
3. Appointed November 2015.
4. Non-monetary benefits comprise of vehicle and health insurance allowances. Became non-executive in Sept 2015.
5. Non-monetary benefits for the 2016 year have been restated.

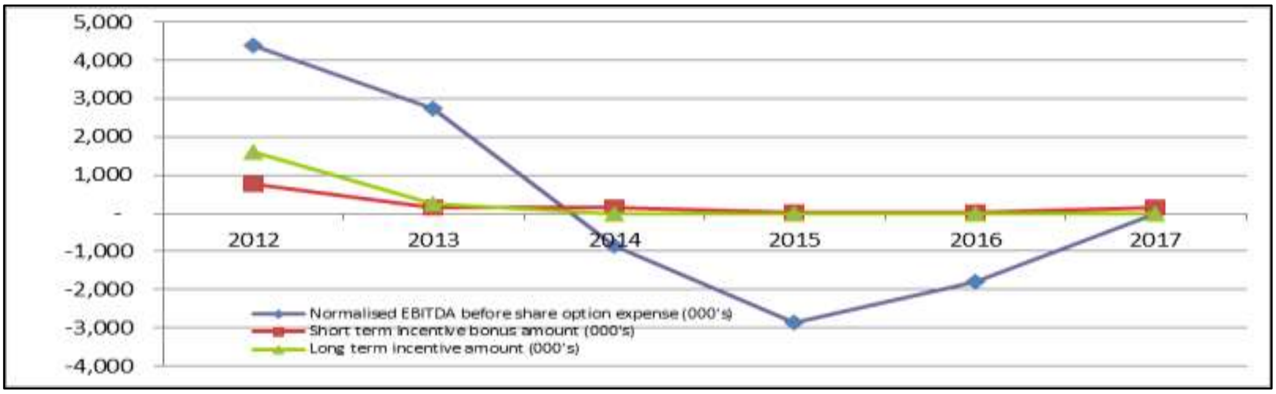
The relative proportions of remuneration that are linked to performance (variable component) and those that are fixed are as follows:

Name	Fixed remuneration 2017	At risk – STI 2017	At risk – LTI 2017
Executive directors			
A.L Kent (Chairman)	100%	-	-
A Kent	85%	15%	-
Non-Executive directors			
J Stark	100%	-	-
R Whyte	100%	-	-
G Donohue	100%	-	-
C West	100%	-	-
C Witter	100%	-	-
C O'Brien	100%	-	-
G Donohue	100%	-	-
Other key management personnel			
R Booth	92%	8%	-
N Khimasia	84%	16%	-
A Patel	90%	10%	-

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

	2017	2016	2015	2014	2013
Profit Attributable to owners of the company	(1,342,604)	(6,468,480)	(10,557,709)	(1,117,114)	2,509,216
Dividends Paid	-	-	-	-	-
Share Price at 30 September (June in prior periods)	$0.01	$0.01	$0.01	$0.04	$0.07
Return on Capital Employed	(15.7%)	(574.8%)	(132.6%)	(11.0%)	23.3%

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*

- Term of agreement – updated commencing 1 July 2016
- Base compensation and benefits for the 15 month period ended 30 September 2017 is GBP 282,212 (AUD $473,329).
- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to 12 months' base salary.

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 15 month period ended 30 September 2017 of GBP 230,292 (AUD $386,249). 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.

R. Booth *General Manager, Group*

- Term of agreement – ongoing, commencing 14 April 2014.
- Base compensation, inclusive of salary, pension contribution and benefits for the 15 month period ended 30 September 2017 of GBP 180,514 (AUD $302,761).
- Payment of a benefit on termination by the Company, other than for gross misconduct, equal to 3 months' base salary.

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 2017 of GBP 232,500 (AUD $389,951).
- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to 6 months' base salary

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

The numbers of options over ordinary shares in the Company held during the period 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 July 2016	Received as part of convertible note issue	Exercised	Forfeited	Balance 30 September 2017
Directors					
A Kent and beneficial interests	-	258,245,641	-	-	258,245,641
R Whyte and beneficial interests (resigned May 2017)	-	2,945,686	-	-	2,945,686
Executives					
C Maybury and beneficial interests	5,000,000	-	-	5,000,000	-

No other director options or rights were exercised or lapsed in Aspermont Limited in 2016 and 2017.

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 July 2016	Disposed	Acquired	Balance at resignation	Balance 30 September 2017
Directors					
A.L Kent and beneficial interests	566,780,087	-	-	-	566,780,087
J Stark and beneficial interests	108,044,917	-	279,852,083	-	387,897,000
G Donohue	-	-	20,000,000	-	20,000,000
C West	-	-	2,500,000	-	2,500,000
R Whyte and beneficial interests	11,767,439	-	5,650,087	(17,417,526)	-
C O'Brien and beneficial interests	10,130,349	-	-	(10,130,349)	-
A Kent	803,604	-	258,945,641	-	259,749,245
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 2017.

F) Loans from directors related entities

Liabilities to Mr A.L Kent, Mr J Stark and Mr C O'Brien and entities related to them are set out below. The loans from Mr Stark are unsecured and the loan term expired 30 September 2014.

	2017	2016
Andrew L. Kent		
Beginning of year	(191,799)	(21,114)
Loan Repayments / (advances)	144,530	(320,685)
Loan conversion to ordinary shares	-	150,000
Interest charged (2016: 9.5%)	-	-
End of period - owed	(47,269)	(191,799)
J Stark		
Beginning of year	(2,981,119)	(2,813,693)
Loan transfer to related party	254,672	-
Loan Repayments / (advances)	17,017	136,631
Interest charged (2016: 9.5%)	(69,090)	(304,057)
Loan conversion to ordinary shares	2,778,520	-
End of period - owed	-	(2,981,119)
C O'Brien		
Beginning of year	(158,082)	-
Loan Repayments / (advances)	158,082	(158,082)
Loan conversion to ordinary shares	-	-
Interest charged (2016: nil)	-	
End of period - owed	-	(158,082)
Total End of Year	(47,269)	(3,331,000)

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

	2017	2016
R Whyte		
Beginning of year	(33,147)	-
Loan Repayments / (advances)	666	(18,499)
Loan conversion to ordinary shares	29,457	-
Interest charged (2016: 10%)	(502)	(1,663)
Finance cost	3,526	(12,985)
End of period - owed	-	(33,147)
A Kent		
Beginning of year	(2,583,384)	(1,389,997)
Transfer from related party	(200,591)	-
Loan Repayments / (advances)	-	(24,409)
Loan conversion to ordinary shares	2,582,456	-
Interest charged (2016: 10%)	(26,596)	(155,414)
Finance cost	228,115	(1,013,564)
End of period - owed	-	(2,583,384)
Total End of period	-	(2,616,531)

G) 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 $796,479 for the current period (2016: $613,047). The lease agreement has a term of five years expiring 30 September 2017.

At 30 September 2017, the Company owed $130,000 (2016: $46,402) 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 period 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:

	2017 $	2016 $
Non-assurance services		
Tax compliance – BDO UK and HKG	4,642	6,643
Tax advisory – BDO WA	6,589	-
Other services – BDO WA	-	-
Total non-assurance remuneration	11,231	6,643

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 34.

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
23 November 2017

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 2017:

Directors and Employees	Total Men	Total Women	Women %
Board	5	-	0%
Senior Management	3	-	0%
Department Head	7	2	22%
Employees	28	34	55%
Total	43	36	46%

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

As lead auditor of Aspermont Limited for the period ended 30 September 2017, 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, 23 November 2017

Consolidated Income Statement for the period ended 30 September 2017

	Note	30 September 2017 $000	30 June 2016 $000 Restated
Continuing operations			
Revenue	4	14,750	14,051
Cost of sales		(6,874)	(6,848)
Gross Profit		**7,876**	**7,203**
Distribution expenses		(653)	(972)
Marketing expenses		(2,845)	(2,877)
Occupancy expenses		(1,420)	(1,341)
Corporate and administration		(4,670)	(2,217)
Finance costs		(1,185)	(1,758)
Other expenses		(1,801)	(2,521)
Change in fair value of investments		-	(85)
Re-estimation of Beacon put option		-	3,387
Other income		317	1,039
Impairment of loan receivables		-	(203)
Impairment of intangible assets	10	(6,395)	(6,165)
Loss from continuing operations before income tax expense		**(10,776)**	**(6,510)**
Income tax benefit/(expense) relating to continuing operations	6	(839)	318
Loss for the period from continuing operations		**(11,615)**	**(6,192)**
Profit/(loss) from discontinued operation (attributable to equity holders of the company)	26	10,728	(637)
Loss for the period		**(887)**	**(6,829)**
Loss attributable to:			
Net profit/(loss) attributable to non-controlling interest		456	(359)
Net loss attributable to equity holders of the parent entity		(1,343)	(6,470)
		(887)	**(6,829)**

The accompanying notes form part of these consolidated financial statements.

	Note	Cents 2017	Restated Cents 2016
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company			
Basic and diluted loss		(0.70)	(0.85)
Earnings per share for profit from discontinued operations attributable to the ordinary equity holders of the company			
Basic and diluted earnings/(loss)		0.65	(0.09)
Earnings per share for profit attributable to the ordinary equity holders of the company			
Basic and diluted earnings loss	**24**	**(0.05)**	**(0.94)**

The accompanying notes form part of these consolidated financial statements.

	Note	2017 $000	Restated 2016 $000
Net loss after tax for the year		**(887)**	**(6,829)**
Other comprehensive loss			
(Items that will be reclassified to profit or loss)			
Foreign currency translation differences for foreign operations		(470)	(2,283)
Other comprehensive loss for the period net of tax		(470)	(2,283)
Total comprehensive loss for the year (net of tax)		**(1,357)**	**(9,112)**
Total comprehensive income/(loss) attributable to:			
Non-controlling interest		182	(517)
Owners of Aspermont Limited		(1,539)	(8,595)
Total comprehensive income for the year attributable to owners of Aspermont Limited arises from:			
Continuing operations		(1,539)	(8,595)
Discontinued operations		182	(517)

The accompanying notes form part of these consolidated financial statements.

ASPERMONT LIMITED
Consolidated Statement of Financial Position for the period ended 30 September 2017

	Note	2017 $000	2016 $000
CURRENT ASSETS			
Cash and cash equivalents	19	1,342	1,795
Trade and other receivables	7	1,228	3,734
TOTAL CURRENT ASSETS		**2,570**	**5,529**
NON-CURRENT ASSETS			
Other receivables	7	4,485	-
Financial assets		68	68
Property, plant and equipment	9	85	155
Deferred tax assets	6	2,347	3,137
Intangible assets and goodwill	10	8,034	17,729
TOTAL NON-CURRENT ASSETS		**15,019**	**21,089**
TOTAL ASSETS		**17,589**	**26,618**
CURRENT LIABILITIES			
Trade and other payables	11	3,747	7,235
Income in advance	12	2,803	5,788
Borrowings	13	85	5,141
Income tax payable	6	-	373
Provisions	14	31	-
TOTAL CURRENT LIABILITIES		**6,666**	**18,537**
NON-CURRENT LIABILITIES			
Borrowings	13	-	3,120
Deferred tax liabilities	6	2,347	3,129
Provisions	14	16	95
Other liabilities	15	-	562
TOTAL NON-CURRENT LIABILITIES		**2,363**	**6,906**
TOTAL LIABILITIES		**9,029**	**25,443**
NET ASSETS		**8,560**	**1,175**
EQUITY			
Issued capital	16	65,604	56,433
Reserves		(11,796)	(10,150)
Accumulated losses		(45,248)	(43,905)
Parent entity interest		8,560	2,378
Non-controlling interest	18	-	(1,203)
TOTAL EQUITY		**8,560**	**1,175**

The accompanying notes form part of these consolidated financial statements

Consolidated Statement of Changes in Equity for the period ended 30 September 2017

	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 2015	**54,158**	**(38,649)**	**(8,053)**	**1,458**	**9**	**(276)**	**8,647**	**(685)**	**7,962**
Loss for the year	-	(6,470)	-	-	-	-	(6,470)	(359)	(6,829)
Other comprehensive income									
Foreign currency translation differences for foreign operations	-	-	-	-	(2,125)	-	(2,125)	(158)	(2,283)
Realised loss on equity investments transferred	-	-	-	-	-	-	-	-	-
Financial assets reserve movements	-	-	-	-	-	(2)	(2)	-	(2)
Income tax relating to components of other comprehensive income	-	-	-	-	-	-	-	-	-
Total Comprehensive loss	**-**	**(6,470)**	**-**	**-**	**(2,125)**	**(2)**	**(8,597)**	**(517)**	**(9,114)**
Transactions with owners in their capacity as owners;									
Share issued (net of issue cost)	2,275	-	-	-	-	-	(2,275)	-	(2,275)
Transfer of option reserve on vested options	-	1,214	-	(1,163)	-	-	51	-	51
Balance at 30 June 2016	**56,433**	**(43,905)**	**(8,053)**	**295**	**(2,116)**	**(278)**	**2,376**	**(1,202)**	**1,174**
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)
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)	-	-	-	(1,978)	1,020	(881)
Balance at 30 September 2017	**65,604**	**(45,248)**	**(9,954)**	**825**	**(2,389)**	**(278)**	**8,560**	**-**	**8,560**

The accompanying notes form part of these consolidated financial statements.

ASPERMONT LIMITED
Consolidated Statement of Cash Flows for the period ended 30 September 2017

	Note	2017 $000	2016 $000
Cash flows from operating activities			
Cash receipts from customers		22,588	24,889
Cash payments to suppliers and employees		(27,569)	(24,550)
Interest and other costs of finance paid		(45)	(496)
Interest received		-	2
Income tax paid		-	359
Exceptional creditor payments			
Operating cash flow from continuing operations			
Discontinued operating cash flow adjustment			
Net cash (used in)/ from operating activities	19(c)	**(5,026)**	**204**
Cash flows from investing activities			
Payments for investments		(16)	(691)
Proceeds from sale of equity investments		-	7
Proceeds from disposal discontinued operations (less legal fees deducted from cash transfer)	26	4,124	-
Payments for plant and equipment		(20)	(85)
Payment for intangible assets		(410)	(125)
Net cash from/(used in) investing activities		**3,678**	**(894)**
Cash flows from financing activities			
Proceeds from issue of shares		3,193	1,879
Share issue transaction costs		(296)	(63)
Proceeds from borrowings		-	512
Repayment of borrowings		(1,950)	(950)
Net cash from financing activities		**947**	**1,378**
Net increase in cash held		(401)	688
Cash at the beginning of the year		1,795	1,645
Effects of exchange rate changes on the balance of cash held in foreign currencies		(52)	(538)
Cash at the end of the year		**1,342**	**1,795**
Cash flows from discontinued operation	26	**903**	**550**

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 23 November 2017.

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	Level 4, Vintners Place 68 Upper Thames Street London, UK EC4V 3BJ
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 reporting period for 2017 is a 15-month period to 30 September 2017. The comparative position for 2016 is the twelve-month year ended 30 June 2016.

2. Significant accounting policies (continued)

Basis of preparation (continued)

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 period ended 30 September 2017 the entity recorded a loss for the year of $10.7 million from continuing operations before income tax, a net cash flow from operating activities of $5 million and net working capital deficiency excluding provisions and deferred revenue of $0.2 million.

The ability of the entity to continue as a going concern is dependent on the group generating positive operating cash flows arising and/or securing additional funding through the raising of debt or equity to continue to fund its operational and marketing activities.

These conditions indicate a material uncertainty that may cast a significant doubt about the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management believe there are sufficient funds to meet the entity's working capital requirements and as at the date of this report.

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 and subscription 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.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

(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 17 to the financial statements.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

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. 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.

2. Significant accounting policies (continued)

(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%

(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.

2. Significant accounting policies (continued)

(e) Financial instruments (continued)

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.

Impairment

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

(f) Income Tax

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

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

Deferred tax is credited in the statement of profit and 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.

(f) Income Tax (continued)

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

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

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

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

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

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

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

(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.

2. Significant accounting policies (continued)

(g) Foreign currency (continued)

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.

(h) Investment in associates

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for in the parent entity financial statements using the cost method and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition (refer to note 10).

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

2. Significant accounting policies (continued)

(h) Investment in associates (continued)

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.
Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(i) 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 diminishing value 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)

(j) Subscriptions in advance

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

(k) Revenue and other income

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

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

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 has been recognised in accordance with AASB 128 *Investments in Associates*.

(l) Impairment of assets

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

(m) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the assets (but not the legal ownership), are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the assets (but not the legal ownership), are classified as finance leases.

2. Significant accounting policies (continued)

(m) Leases (continued)

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised on a straight line basis over the lease term.

(n) Rounding of amounts

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

(o) Borrowings

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

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

(p) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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.

(q) 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 16.

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)

(r) 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(b).

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 26) 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 recognized in the Profit and 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.

(s) Business combinations

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

2. Significant accounting policies (continued)

(s) Business combinations (continued)

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

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

(t) 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.

(u) Trade receivables

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

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

The amount of 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.

2. Significant accounting policies (continued)

(v) 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.

(w) 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.

(x) 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 9 *Financial Instruments*

(y) Accounting standards issued not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 September 2017. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below

AASB 15 Revenue from Contracts with Customers
This standard is applicable to annual reporting periods beginning on or after 1 January 2017. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under AASB 118 revenue. The consolidated entity will adopt this standard from 1 September 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.

2. Significant accounting policies (continued)

(y) Accounting standards issued not yet effective (continued)

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments. The consolidated entity will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 9 Financial Instruments
This standard is applicable to annual reporting periods beginning on or after 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. Aspermont has assessed the impact of the new standard and it is not considered to have a material impact to the financial statements.

(z) Segment reporting

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

3. Parent Entity Information

The following details relate to the parent entity, Aspermont Limited, at 30 September 2017. The information presented here has been prepared using consistent accounting policies as presented in note 2.

	2017 $000	2016 $000
Current assets	1,502	1,118
Non-current assets	14,550	20,312
Total assets	**16,052**	**21,430**
Current liabilities	5,129	13,364
Non-current liabilities	2,363	6,891
Total liabilities	**7,492**	**20,255**
Contributed equity	65,603	56,433
Accumulated losses	(57,247)	(54,318)
Reserves:		
Share based payment reserve	1,458	1,458
Financial asset reserves	(276)	(276)
Other Reserves	(633)	(1,777)
Currency Translation Reserve	(345)	(345)
Total Equity	**8,560**	**1,175**
Loss for the year	(11,088)	(6,361)
Other comprehensive income/(loss) for the year	(547)	(2,881)
Total Comprehensive Loss for the year	(11,635)	(9,242)

4. Revenue

	2017 $000	2016 $000
Continuing operations:		
Sales revenue – subscriptions and advertising	14,514	13,927
Conferencing revenue	236	124
	14,750	**14,051**
Other income:		
Interest	389	3
Government grants	-	363
Other income	9,509	9,809
	9,898	**10,175**

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:

	2017 $000	2016 $000
(a) Expenses:		
Bad debts written off	159	(15)
Consulting and accounting services	190	1,024
Depreciation and amortisation of plant, equip and intangible assets	622	544
Directors fees	667	12
Employee benefits expense	5,573	8,399
Define employee retirement contribution	-	608
Foreign exchange gains/(losses)	107	-
Finance costs	1,889	1,919
Legal costs	1,875	282
Rental expense on operating lease	1,568	1,679
Impairment of intangible assets	6,395	6,165
Write down of loan receivable	39	203
	19,084	**20,820**
Change in the amortised cost of the Beacon Put option:		
Foreign Exchange movements	-	355
Change in estimated value	-	(3,742)
	-	**3,387**
Imputed interest expense	-	13
(b) Remuneration of auditors of the parent entity for:		
Auditing or reviewing the accounts – BDO WA	134	107
Auditing or reviewing the accounts – BDO HKG and UK	66	80

6. Taxation

	2017 $000	2016 $000
(a) Income tax expense/(benefit)		
The components of tax expense/ (revenue) comprise:		
Current tax	-	(5)
Deferred tax	839	46
	839	**(41)**
The prima facie tax on profit/ (loss) before tax is reconciled to the income tax as follows:		
Profit/(loss) from operations	(10,776)	(6,788)
Income tax calculated at 30%	(3,233)	(2,036)
Tax effect of permanent differences:		
Increase in income tax expense due to:		
Non-deductible expenditure	2,460	2,270
Tax losses not recognised	1,612	843
Reversal of previously recognised temporary difference	-	866
Decrease in income tax expense due to:		
Derecognise capital losses		
Non-assessable income	-	(1,759)
Effect of different tax rates of foreign operations	-	(110)
Income tax expense/(benefit) attributable to profit from ordinary activities	**839**	**(74)**
Effective tax rate	**-8%**	**-1%**

6. Taxation (continued)

	2017 $000	2016 $000
(b) Deferred Tax		
Deferred income tax at 30 September relates to the following:		
Liabilities		
Intangible assets in relation to business combinations	2,347	3,129
Other	-	-
Total	**2,347**	**3,129**
Assets		
Provisions	121	319
Future benefit of carried forward losses	2,174	2,766
Fair value gain adjustments	52	52
Other	-	-
	2,347	**3,137**

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 2015	**3,010**	**9**	**3,019**
Credited/(charged):			
- to profit or loss	-	(9)	(9)
-to equity	121	-	121
Currency movements	(2)	-	(2)
Balance at 30 June 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**

6. Taxation (continued)

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 2015	**362**	**2,292**	**196**	**2,850**
Credited/(charged):				
- to profit or loss	(43)	474	(130)	301
-to equity	-	-	(14)	(14)
Currency movements	-	-	-	-
Balance at 30 June 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**

	2017 $000	2016 $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	(782)	107
Tax expense/ (income) relating to items of other Comprehensive income		
Financial assets reserve	-	107

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

	2017 $000	2016 $000
Current		
Trade receivables	1,127	3,176
Other receivables	1,106	604
Allowance for impairment	(1,005)	(46)
Total	1,228	3,734
Non-current		
Trade receivables	-	-
Loan – Nomad Limited Partnership	1,910	1,894
Loan – Impairment	(1,910)	(1,894)
Loan – Beacon	4,485	-
	4,485	-

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 $5.7 million 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 $1.3 million.

At 30 September 2017 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 22.

7. Receivables (continued)

(a) Impaired receivables

As at 30 September 2017 current trade receivables of the Group with a nominal value of $1,005,000 (2016 – $46,694) 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 intercompany trade receivable which was related to Beacon which is now due and the company is undertaking process to recover these amounts. The prior year balance relating to Beacon was not reflected in the below number as for accounting purposes they were a subsidiary and therefore consolidated.

The ageing of these receivables is as follows:

	2017 $000	2016 $000
1 to 3 months	3	3
Over 3 months	1,002	43
	1,005	46

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

	2017 $000	2016 $000
At 1 July	46	142
Allowance for impairment	941	(42)
Foreign exchange movement	11	(14)
Receivables written off	7	(40)
	1,005	46

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.

7. Receivables (continued)

Impaired trade receivables (continued)

(a) Past due but not impaired

As at 30 September 2017, trade receivables of $87,000 (2016: $1,209,000) 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:

	2017 $000	2016 $000
1 to 3 months	81	754
Over 3 months	6	455
	87	1,209

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 22.

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

	2017 $000	2016 $000
Prepayments	219	990
	219	990

9. Plant and equipment

	Consolidated	
	2017 $000	2016 $000
Plant And equipment – at cost	1,606	1,840
Accumulated depreciation	(1,522)	(1,687)
	84	153
Equipment under finance lease – at cost	105	105
Accumulated depreciation	(104)	(103)
	1	2
Total plant and equipment	85	155

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 2015	1,953	105	2,058
Additions	85	-	85
Currency movements	16	-	16
Disposals	(191)	-	(191)
Balance at 30 June 2016	**1,863**	**105**	**1,968**
Additions	20	-	20
Currency movements	-	-	-
Disposals	(254)	-	(254)
Balance at 30 September 2017	**1,629**	**105**	**1,734**
Accumulated Depreciation			
Balance at 1 July 2015	(1,784)	(103)	(1,887)
Depreciation expense	(104)	-	(104)
Currency movements	(5)	-	(5)
Disposals	183	-	183
Balance at 30 June 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)**
Net Book Value			
As at 30 June 2016	153	2	155
As at 30 September 2017	84	1	85

(b) Leased plant and equipment

The parent entity leases assets under a number of finance lease agreements. At 30 September 2017, the net carrying amount of leased plant and equipment was $1,000 (2016: $3,956). 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 2015	21,399	3,216	11,565	2,388	38,568
Additions	-	125	-	-	125
Currency movements	(1,443)	(107)	(1,005)	-	(2,555)
Disposals	-	-	(5)	(1,113)	(1,118)
Balance at 30 June 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**
Accumulated Amortisation					
Balance at 1 July 2015	(6,132)	(2,535)	(1,992)	(2,101)	(12,760)
Amortisation expense	-	(250)	-	(201)	(451)
Impairment	(8,047)	-	-	-	(8,047)
Reversal of impairment	-	-	1,882	-	1,882
Currency movements	761	106	110	(5)	972
Disposal	-	-	-	1,113	1,113
Balance at 30 June 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
Disposals	3,920	407	-	-	4,327
Balance at 30 September 2017	**(12,978)**	**(2,667)**	**(2,585)**	**(1,275)**	**(19,506)**
Net Book Value					
As at 30 June 2016	**6,538**	**555**	**10,555**	**81**	**17,729**
As at 30 September 2017	**-**	**531**	**7,503**	**-**	**8,034**

10. Intangible assets (continued)

During the year an analysis was performed in respect of the Purchased Mastheads and Goodwill. As part of impairment testing performed for the financial year 30 September 2017 it was noted that the carrying amount of the Goodwill exceeded its recoverable value which resulted in an impairment of $3.8 million. The combined impairment arising from the Mastheads and the Goodwill amounted to $6.4 million. During the year there was a disposal of Beacon which resulted in the removal of Goodwill which had a carrying amount of $6.4 million and accumulated impairment of $3.9 million. Further information in relation to the disposal is contained within Note 26.

Impairment tests for intangible assets

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

	2017 Total $000	2016 Total $000
Goodwill		
Conferencing	-	5,661
Conferencing impairment	-	(4,049)
Publishing (print & online)	16,118	16,118
Publishing impairment (print)	(12,727)	(9,374)
Foreign exchange reserve	(3,391)	(1,818)
	-	**6,538**
Software		
Cost	3,190	3,233
Accumulated Amortisation	(2,659)	(2,678)
	531	**555**
Purchased Mastheads		
Mastheads (print & online)	12,279	12,279
Mastheads impairment (print)	(2,615)	-
Foreign exchange reserve	(2,161)	(1,724)
	7,503	**10,555**
Other Intangible Assets		
Acquired intangibles assets	1,275	1,275
Impairment	(100)	(100)
Accumulated amortisation	(1,175)	(1,094)
	-	**81**
Total Intangible Assets	**8,034**	**17,729**

10. Intangible assets (continued)

Intangibles are allocated to the CGU's as follows:

	2017 $000	2016 $000
Publishing	27,336	28,450
Cumulative impairment	(19,302)	(13,233)
	8,034	**15,217**
Conferencing	-	6,561
Cumulative impairment	-	(4,049)
	-	**2,512**
Total Intangible Assets	**8,034**	**17,729**

Key assumptions used for value-in-use calculations

The Company has reviewed the Intangible assets for impairment.

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

	2017 Pre-tax Discount rate	2016 Pre-tax Discount rate
Publishing	14%	13.9%
Conferencing	-	8.7%

Cash flow forecasts were used based on the EBITDA for each Cash Generating Unit as per the Group's latest five-year business plan consistent with its use at 30 September. The discount rates used reflect specific risks relating to the relevant segments and the countries in which they operate.

10. Intangible assets (continued)

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

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

- Year 1 cash flows - Based on current management forecast in line with current trending.
- Year 2-5 cash flows:

❖ Average EBITDA growth of 118% as a result of the following underlying assumptions:

- A revenue decline of 10% has been assumed for printed products businesses as management expect structural change to continue. Assumptions have been made in line with past performance and management's expectation of market development.
- Revenue growth of 25% is assumed in the digital businesses based on market maturity of established products, continued roll-out and introduction of new products and services through product extensions and continued channel development.
- Revenue growth of 10% in subscriptions – these assumptions are in line with current performance, industry trends 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 and launches the events business.
- Expenses expected to grow in line with business expansion and managed following restructuring initiatives which have already produced a cost saving trend.

Long Term Growth Rate – a terminal value of growth into perpetuity of year 5 cash flows equivalent to 2% for Publishing using the discount rate. The long term growth rate of 2% is based generally accepted principles of a mature business operating in a stable environment for the foreseeable future.

Each of the above factors is subject to significant judgement about future economic conditions and the ongoing structure of the publishing and digital industries. Specifically, the Directors note that the extent and duration of the structural change in print advertising is difficult to predict. The Directors have applied their best estimates to each of these variables but cannot warrant their outcome.

The discount rates used reflect specific risks relating to the relevant segments and the countries in which they operate. The increase in the rate for Publishing in this financial year reflects the change in capital mix in that segment.

Management determined budgeted EBITDA margin based on past performance and its expectations for the future. If any of these assumptions were to change this could affect the carrying amounts of the intangible assets.

10. Intangible assets (continued)

Impact of possible changes in key assumptions

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 14.0% to 15.6%,
- Terminal growth rate – decrease from 2% to 0%
- Year 1 to 5 cash flow forecasts – reduction of 21% 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

	Consolidated	
	2017 $000	2016 $000
Current		
Unsecured Liabilities		
Trade payables	1,638	2,348
Sundry creditors and accrued expenses	1,759	4,771
Annual leave payable	350	116
	3,747	7,235

Information about the Groups' exposure to risk is provided in note 22.

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

12. Income in advance

	Consolidated	
	2017 $000	2016 $000
Current		
Opening balance	5,788	5,554
Net movement during the year	(1,855)	234
Disposal of Beacon	(1,130)	-
	2,803	5,788

During the period ended 30 September 2017 Beacon was disposed of resulting in a reduction of the income in advance of $1.1m. The $5.7m opening balance for 2017 consisted of $3.1m relating to Beacon and a reduction of $1.9m by Beacon during the period. If these amounts were added back into the income in advance movement the amount would increase by $0.089m. This is consistent with the increase in subscriptions revenue generated during the period.

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

13. Borrowings

	2017 $000	2016 $000
Current		
Unsecured loans from external parties	-	245
Secured loans from external parties	-	1,565
Loans from related parties	85	3,331
	85	**5,141**
Non-Current		
Secured Liabilities		
Loans advanced for convertible debt	-	3,120
	-	**3,120**

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

In the year ended 30 June 2016 the convertible note was carried at fair value on inception and at each reporting period. The fair value of the note is particularly impacted by the intrinsic value of the holder's option to convert. During the prior year, the convertible loans was revalued from its carrying amount $1.945mil to $3.120mil reflecting the rights issue price at $0.01 as this is the new conversion price as compared to the original conversion price of $0.0175 and the revaluation resulted in an increase of $1.2m in value of the loan and associated $1.2m expense was taken into the Income Statement for the 2016 year. The value of the conversion options within the loan is calculated using a black-scholes model which takes into account the volatility rate and share price of the Group. During the current period the vast majority of the convertible notes were converted to share capital.

14. Provisions

	2017 $000	2016 $000
Current		
Long service leave entitlements	31	-
Non-Current		
Long service leave entitlements	16	95

15. Other liabilities

A put and call option was entered into with the non-controlling shareholder of Beacon Events Limited covering their 40% interest. The future discounted amount adjusted for foreign currency is estimated as nil as the options are out of the money (2016: $562 thousand) which is recorded as a liability of the Group and a provision for purchase of the non-controlling interest in the equity section. The liability is discounted using the Aspermont bank loan rate of 7.62% and for the duration of the option the interest will be amortised until the option is extinguished. For the period ended 30 September 2017 interest of nil (2016: $12,705).

For the year ended 30 June 2016 the liability for the purchase of the minority interest in Beacon is calculated based on a US dollar gross profit formula for the estimated fiscal 2017 gross margin of the Beacon business. This amount is then discounted to the current balance sheet date using the Aspermont borrowing rate and adjusted for any foreign exchange movements between the underlying US dollar liability and the Australian dollar.

	2017 $000	2016 $000
Liability in respect of Beacons put and call option		
Opening balance	562	3,937
Imputed interest expense	-	13
Foreign exchange movements	-	354
Change in estimated value	-	(3,742)
Disposal	(562)	-
Closing balance of the liability	-	562
Other non-current liabilities	-	-
Total non-current liabilities	-	562

16. Issued capital

	2017 #	2016 #	2017 $000	2016 $000
Fully paid ordinary shares	**1,856,225,458**	**958,700,907**	**65,604**	**56,433**
Ordinary shares				
At the beginning of the reporting period	958,700,907	724,918,019	56,433	54,158
Shares issued during the year:				
Rights issue	68,217,100	233,782,888	714	2,368
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	10,500,000	-	(335)	(93)
Employee share issue	7,861,545	-	78	-
At Reporting date	**1,856,225,458**	**958,700,907**	**65,604**	**56,433**

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.

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

No options were granted under the plan during the year. The table below summaries options in issue for the Consolidated and parent entity:

16. Issued capital (continued)

	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
2017	5,000,000	323,577,323	-	(5,000,000)	323,577,323	323,577,323	3c
2016	26,250,000	-	-	(21,250,000)	5,000,000	5,000,000	15c

Of the above options, 20,000,000 expire 31 July 2020 and 303,577,323 expire 30 September 2025. The 21,250,000 expired on 30 October 2015 and the remaining 5,000,000 expired on 30 October 2016.

The weighted average share price during the financial year was 0.9 cents (2016: 0.9 cents).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 7.79 years (2016: 0.33 years).

(c) Reserves

The nature and purpose of the reserves are as follows:

Share based reserve

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

Currency translation reserve

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

Financial assets reserve

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

Other reserve

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

16. Issued capital (continued)

(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 the gearing ratio. This ratio is calculated as net debt (borrowings and trade and other payables less cash and cash equivalents) divided by total capital (equity). Further information regarding the liquidity and capital risk maintained by the Group is disclosed in Note 22 (c).

The gearing ratios at 30 September 2017 and 30 June 2016 were as follows:

	2017 $000	2016 $000
Total Borrowings	85	15,496
Less: cash and cash equivalents	(1,342)	(1,795)
Net debt	(1,257)	13,701
Total equity	8,560	1,175
Total capital	7,303	14,876
Gearing ratio	(17%)	92%

17. Particulars in relation to controlled entities

Name of Entity	Place of Incorp.	Class of share	Economic Entity Interest 2017 %	2016 %
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
Beacon Events Limited	BVI	Ord	-	60
Beacon Events Ltd	HKG	Ord	-	60
Resourceful Events Ltd	BVI	Ord	-	60
Resourceful Events Ltd	HKG	Ord	-	60
Resourceful Events Ltd	UK	Ord	-	60
Resourceful Australia Pty Ltd	NSW	Ord	-	60
Ethical Beacon Ltd	BVI	Ord	-	60
Ethical Beacon Ltd	HKG	Ord	-	60
Aspermont Beacon Line Events Limited	BVI	Ord	-	60
Aspermont UK Limited	UK	Ord	-	60
Mines and Money Events Limited	Cayman	Ord	-	60
Beacon Conference & Exhibition services (Beijing) Ltd	PRC	Ord	-	60

18. Non-controlling interests

The Group's subsidiary Beacon Events Limited has a material non-controlling interest (NCI). During the current year the interest in Beacon has been disposed. Refer to note 26 for details. The following table summarises information relating to that non-controlling interest for 2016, before any intra-group eliminations:

	Consolidated Beacon Events Limited 2016 $000
NCI percentage	40%
Summarised statement of financial position	
Current assets	2,549
Non-current assets	10,728
Current liabilities	(5,764)
Non-current liabilities	(5,735)
Net Assets	1,778
Summarised statement of profit or loss and other comprehensive income	
Revenue	8,485
Profit after income tax expense	(637)
Other comprehensive income	(359)
	(996)
Summarised statement of cash flows	
Cash flows from operating activities	585
Cash flows from investing activities	(34)
Cash flows from financing activities (excluding NCI dividends)	-
NCI dividends aid	-
Net increase / (decrease) in cash and cash equivalents	551
Other financial information	
Net Profit/ (loss) attributable to non-controlling interest	(359)
Accumulated non-controlling interest	(1,203)
Loans to/(from) non-controlling interest	-

19. Cash flow information

	2017 $000	2016 $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	1,342	1,795
	1,342	1,795
(b) Reconciliation of operating profit/ (loss) after tax to net cash from operating activities		
Profit/ (loss) after income tax	(887)	(6,829)
Non-cash flows in profit/ (loss)		
Depreciation and amortisation	583	543
Impairment of loan receivable	(387)	-
Profit on sale of subsidiary	(9,501)	
Impairment of intangible assets	6,395	6,165
Unrealised gain on disposal of investments	-	768
Non-cash income tax expense	737	
Non-cash movement on put option liability	-	(3,375)
Non-cash items	1,770	1,441
Change in assets and liabilities:		
(Increase)/Decrease in receivables	2,507	(397)
(Decrease)/Increase in creditors and accruals	(2,840)	268
(Decrease)/Increase in unearned revenue	(2,986)	658
(Decrease) in provisions	(49)	(208)
(Decrease)/ Increase in income taxes payable	(374)	119
Increase in deferred taxes payable	6	1,051
Net cash (used in)/ from operating activities	(5,026)	204

As at 30 September 2017, the Group had non-cash financing activities of $1.1m (2016: $1.8m) as a result of the conversion of the convertible notes. Non-cash investing activities of nil (2016: nil).

19. (c) Net cash (used in)/from operating activities

	2017 $000	2016 $000
Cash flows from operating activities		
Cash receipts from customers	22,625	24,889
Normalised cash outflows to suppliers and employees	(22,432)	(24,550)
Net normalised cash inflow/(outflow)	**193**	**339**
Exceptional cash outflows to suppliers and employees	(5,174)	-
Interest and other costs of finance paid	(45)	(496)
Interest received	-	2
Income tax paid	-	359
Net cash (used in)/ from operating activities	**(5,026)**	**204**

Exceptional cash outflows to suppliers and employees are exceptional payments made during the period ended 30 September 2017. These comprise of legacy creditor payments, exceptional legal fees and restructuring costs.

20. Key management personnel and related party disclosures

(a) Key management personnel compensation

	2017 $	2016 $
Short-term employee benefits	1,791,328	1,392,925
Post-employment benefits	94,085	51,671
Long-term employee benefits	-	2,137
Share based payments	-	-
	1,885,413	1,446,733

Detailed remuneration disclosures are provided in the audited remuneration report on pages 21 to 30 of the Directors’ Report.

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

(b) Liabilities and loans from director related entities

	2017 $	2016 $
Unsecured loans		
Beginning of year	3,331,000	2,834,807
Loan advances	-	1,928,800
Loan repayments	(319,629)	(1,586,664)
Loan transfer to related party	(254,672)	-
Loan conversion to ordinary shares	(2,778,520)	(150,000)
Interest charged at 9.5% (2016: 9.5%)	69,090	304,057
End of year	**47,269**	**3,331,000**

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 21 to 30 of the Directors' Report. Conversion of debt into ordinary shares is further disclosed in note 13.

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

	2017 $	2016 $
Unsecured loans		
Beginning of year	2,616,531	1,389,997
Loan advances	(666)	222,409
Loan transfer from related party	200,591	-
Loan repayments	-	(179,501)
Loan conversion to ordinary shares	(2,611,913)	-
Interest charged at 10% (2016: 10%)	27,098	157,079
Finance charge arising from ratchet feature	(231,641)	1,026,546
End of year	**-**	**2,616,531**

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 over the two reporting periods. The finance charge arose through accelerated interest arising from the convertible debt which granted additional shares and options to the relevant holders. Terms and conditions of the convertible note is disclosed in Note 13.

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

(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 September 2017.

	2017 $	2016 $
Rental expense for principal offices	796,479	613,047

At 30 September 2017 the Company owed $130,000 (2016: $46,402) in unpaid Director Fees to current Directors of the Company.

21. 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.

21. Financial risk management (continued)

(i) Foreign exchange risk (continued)

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 2017 and 30 June 2016 would have increased/(decreased) profit and loss by the amounts shown in the following table. The analysis assumes that all other variable, in particular interest rate remain constant.

	2017 $000	2016 $000
GBP	(121)	(156)
HKD	-	(64)
USD	-	56
Total	(121)	(164)

(a) Market risk

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

	USD	EUR	USD	EUR
	2017		2016	
	$000	$000	$000	$000
Financial assets				
Trade and other receivables	261	107	661	83
Non-current receivables	4,485	-	-	-
Total	4,746	107	661	83

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 $127,925 lower/higher (2016: $134,000 lower/higher).

- Had the Australian dollar weakened/strengthened by 5% against the Euro with all other variables remaining constant, the consolidated entity's profit after tax would have been $402,370 lower/higher (2016: $28,000 lower/higher).

(ii) Equity price risk

The consolidated entity is not exposed to a material equity securities price risk arising from investments classified on the statement of financial position as financial assets measured at fair value. Investments in equity securities are approved by the Board on a case-by-case basis.

21. Financial risk management (continued)

(iii) Cash flow and interest rate risk

The consolidated entity's main interest rate risk arises from short and long-term borrowings.
Borrowings at variable rates expose the consolidated entity to cash flow interest rate risk and borrowings at fixed interest rates expose the consolidated entity to fair value interest rate risk.

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

	Weighted average interest rate	Balance	Weighted average interest rate	Balance
	2017		2016	
		$000		$000
Financial Assets				
Cash and cash equivalents	0.00%	1,342	0.12%	1,795
Financial Liabilities				
Bank Loan	-	-	7.00%	1,565
Related party borrowings	9.50%	124	9.5%	3,331
Finance lease liabilities	-	-	-	245
Put and call options	-	-	7.62%	562
Convertible notes	-	-	10.00%	-

The consolidated entity has and intends to continue to reduce its borrowings, so cash balances are not accumulated and there is little sensitivity to cash deposit rates. As the current interest rates are fixed, increases/ decreases to interest rates have no material impact on the consolidated entity's profit after tax.

(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.

21. Financial risk management (continued)

(b) Credit Risk (continued)

The consolidated entity's total capital is defined as the shareholders' net equity plus net borrowings, and amounted to $8.7 million at 30 September 2017 (2016: $9.4 million). The objectives when managing the economic entity's capital is to safeguard the business as a going concern, to maximise returns to shareholders and to maintain an optimal capital structure in order to reduce the cost of capital.

(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.

21. Financial risk management (continued)

(c) Liquidity and capital risk (continued)

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**

Consolidated entity as at 30 June 2016:

	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	5,342	-	-	-	5,342	5,342
Borrowings	7,607	654	-	-	8,261	8,261
Put and call option	-	-	562	-	562	562
	12,949	**654**	**562**	**-**	**14,165**	**14,165**

21. Financial risk management (continued)

(d) Financial assets and liabilities by category

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

	Weighted average interest rate	Balance	Weighted average interest rate	Balance
	2017		2016	
		$000		$000
Financial Assets				
Cash and cash equivalents	0.00%	1,342	0.12%	1,795
Trade and other receivable	-	1,240	-	3,734
Non-current receivable	-	4,481	-	-
Financial Liabilities				
Trade and other payables	-	3,689	-	7,235
Bank Loan	-		7.00%	1,565
Related party borrowings	9.50%	85	9.5%	3,331
Finance lease liabilities	-	-	-	245
Put and call options	-	-	7.68%	562
Convertible notes	-	-	10.00%	3,120

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(e) for the method used to fair value the non-current receivable.

22. 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:

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**

2016	Publishing $000	Conferencing $000	Discontinued Operation $000	Total $000
Revenue				
Advertising - Digital	2,926	-	151	2,535
Advertising - Print	6,544	-	1,075	6,855
Subscriptions	4,458	-	201	4,538
Conferencing & Other revenue	-	8,608	8,485	8,608
Total segment revenue	13,928	8,608	9,913	**22,536**
Revenue by Geography				
Australia/ Asia	8,689	4,924	9,913	17,297
Europe	5,239	3,684	-	5,239
Other	-	8,608	-	-
Total revenue	13,928	8,608	9,913	**22,536**
Result				
Segment result	1,475	-	823	**2,299**
Unallocated items:				
Corporate overheads	(7,874)			(7,874)
Depreciation	(306)		(36)	(342)
Amortisation	(201)			(201)
Impairment of intangible assets	(3,603)		(2,562)	(6,165)
Other income				2,149
Re-estimation of Beacon put option				3,387
Interest				(41)
Loss for year before income tax				**(6,788)**
Segment assets	15,217	-	2,512	**17,729**
Unallocated assets:				
Cash				1,795
Deferred tax asset				3,137
Other assets				3,957
Total assets				**26,618**
Liabilities	11,796	-	5,004	**16,800**
Unallocated liabilities:				
Provision for income tax				373
Deferred tax liabilities				3,129
Borrowings				5,141
Total liabilities				**25,443**

23. 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 into two broad global categories, being Publishing (a combination of the Print and Digital segments used previously) and Conferencing.

The segments derive revenue from the following products and services:

The Publishing segment derives subscription, advertising and sponsorship revenues from print and online publications across a number of trade sectors including the mining, agriculture, energy and resources sector.

The Conferencing segment derives revenues from running events and holding conferences in various locations and across a number of sectors.

Segment revenue and expenses:

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

Inter-segment transfers:

There are no significant inter-segment transactions at this time.

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

	2017 $000	2016 $000
(a) Basic earnings/ (loss) per share (cents per share)	(0.05)	(0.94)
(b) Diluted earnings/ (loss) per share (cents per share)	(0.05)	(0.94)
(c) Earnings/ (loss) used in calculating earnings per share		
Profit/ (loss) attributable to the ordinary equity holders of the company used in calculating basic and diluted earnings per share	(887)	(6,829)
(d) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted earnings per share	1,856,225,458	726,839,522
Options	323,577,323	5,000,000
Weighted average number of ordinary shares outstanding during the year used in calculating diluted earnings per share	1,657,080,744	726,839,522
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 16.	-	-

25. Operating lease commitments

	2017 $000	2016 $000
Operating lease commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Not later than 12 months	109	1,480
Between 12 months and 5 years	14	151
	123	1,631

The Group has operating lease commitments relating to the London office expiring within three months. The other operating lease commitment is expiring in three years and is for photocopier equipment in Perth.

26. 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.

26. Discontinued operation (continued)

(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.

	2017 $'000	2016 $'000
Revenue	9,394	8,485
Other income	-	650
Expenses	(8,373)	(9,412)
Profit before income tax	**1,021**	**(277)**
Income tax benefit/(expense)	120	(360)
Gain on sale of discontinued operation (refer c)	9,587	-
Profit after income tax of discontinued operation	**10,728**	**(637)**
Exchange differences on translation of discontinued operations	**(684)**	**(396)**
Other comprehensive income from discontinued operations	**10,044**	**(1,032)**
Net cash inflow from operating activities	**810**	**585**
Net cash inflow/(outflow) from investing activities	**93**	**(35)**
Net cash (outflow) from financing activities	**-**	**-**
Net increase in cash generated by subsidiary	**903**	**550**

(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.

27. Events subsequent to the period end

In July 2017 Aspermont issued Beacon with a statutory demand for interest payments associated with its July 2020 maturing loan note. The court in BVI set aside the statutory demand on the basis that they believed there was a substantial dispute as to whether those interest payments were due now or in 2020, when the full loan matures. The full loan note, with both principal and compound interest, is payable in 2020 as set out in note 7 of this report.

Mr Andrew Kent will become non-Executive Chairman from 1 October 2017.

28. Contingent Liabilities

We are not aware of any contingent liabilities as at 30 September 2017 or to the date of this report.

In the directors' opinion:

1. the financial statements and notes set out on pages 35 to 93 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 2017 and of its performance for the financial period 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
23 November 2017

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INDEPENDENT AUDITOR'S REPORT

To the members of Aspermont Limited

Report on the Audit of the Financial Report

Qualified opinion

We have audited the financial report of Aspermont Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 September 2017, 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 15 month period to 30 September 2017, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion, except for the effects of the matter described in the *Basis for qualified opinion* section of our report, 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 2017 and of its financial performance for the 15 month period to 30 September 2017; and

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

Basis for qualified opinion

Disposal of Beacon Events Limited

Aspermont Limited's 60% share in Beacon Events Limited('Beacon') was disposed of during the period resulting in a gain on disposal of $9.59 million (refer to Note 26) being included in the consolidated income statement for the 15 month period to 30 September 2017. The company was unable to obtain access to the books and records of Beacon and therefore we were unable to obtain sufficient appropriate evidence about the carrying amount of the investment in Beacon at the date of disposal and Aspermont Limited's share of Beacon's profit for the period and the corresponding gain on disposal.

Consequently, we were unable to determine whether adjustments, if any, are necessary between Aspermont Limited's share of Beacon's profit before income tax and the gain on sale of discontinued operations as disclosed in Note 26, and the classifications of operating, investing and financing activities in the consolidated statement of cash flows. Our opinion has been modified accordingly.

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 qualified opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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. In addition to the matter described in the *Basis for qualified opinion* section and *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment of goodwill and intangible assets

Key audit matter	***How the matter was addressed in our audit***
Refer to Note 10- Intangible Assets and Note 2(r) - Critical accounting estimates and judgements. The assessment of impairment of the Group's intangible asset balances include significant judgements and estimates in relation to forecast of future cash flows which takes into account factors such as discount rates, revenue growth and cost assumptions. Due to the inherent subjectivity associated with critical judgements being made in relation to the discounted cash flow forecast we have identified this as a key audit matter.	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 following: • In conjunction with our valuation specialist, comparing the discount rate utilised by management to an independently calculated discount rate

	• Comparing growth rates with historical data and economic and industry growth trends; • Comparing the Group's forecast cash flows to the 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 10 and Note 2(r) to the financial report.

Carrying value of loan receivable from Beacon Events Limited

Key audit matter	*How the matter was addressed in our audit*
Refer to Note 7- Loan Receivables from Beacon Events Limited ('Beacon') and Note 2(r) – Critical accounting estimates and judgements. In accordance with the Group's accounting estimates and judgements as disclosed in Note 2(r), 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 Loan Receivable from Beacon 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 7, Note 2(r) 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 15 month period to 30 September 2017, 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

Qualified Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 21 to 30 of the directors' report for the 15 month period to 30 September 2017.

In our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, the Remuneration Report of Aspermont Limited for the 15 month period to 30 September 2017 complies with section 300A of the *Corporations Act 2001*.

Basis for Qualified Opinion

The company was unable to obtain access to the books and records of Beacon and therefore we were unable to obtain sufficient appropriate evidence around the completeness or existence of a Key Management Person's remuneration for the 15 month period to 30 September 2017.

Consequently we were unable to determine whether any adjustments, if any, to a Key Management Person's remuneration in the Remuneration Report are necessary. Our audit opinion has been modified accordingly.

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, 23 November 2017

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

a) Shareholding

Ordinary Share Capital

1,856,225,458 (2016: 958,700,907) shares are held by 451 (2016: 355) individual holders. All issued ordinary shares carry one vote per share.

Distribution of Shareholders Number

Category (size of holding)	Ordinary shares 2017	2016
1 – 1,000	49	47
1,001 – 5,000	18	19
5,001 – 10,000	51	54
10,001 – 100,000	103	98
100,001 – and over	230	137
	451	**355**

The number of shareholdings held with less than marketable parcel is 189 (2016:189).

b) Share Options (Unquoted)

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

c) Company Secretary

The name of the Company Secretary is Mr David Straface.

d) Principal Registered Office

The address of the principal registered office in Australia is
613-619 Wellington Street, Perth, WA 6000
Ph +61 8 6263 9100

e) Register of Securities

The register of securities is held at the following address:
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	30.53%
2	Mr. John Stark and beneficial interests	387,897,000	20.9%

h) 20 Largest Shareholders – Ordinary shares

Position	Holder Name	Holding	% IC
1	DRYSDALE INVESTMENTS LIMITED	325,329,709	17.53%
2	ALLANDALE HOLDINGS PTY LTD	277,852,083	14.97%
3	MEGA HILLS LIMITED	259,698,245	13.99%
4	ANNIS TRADING LIMITED <HONG KONG A/C>	159,771,150	8.61%
5	BLUE SEA INVESTMENT HOLDINGS PTY LTD <AJAX SUPER FUND A/C>	81,458,334	4.39%
6	ALLAN DALE REAL ESTATE PTY LTD <SUPER FUND A/C>	71,959,584	3.88%
7	YARANDI INVESTMENTS PTY LTD <GRIFFITH FAMILY NO 2 A/C>	39,087,346	2.11%
8	LEVEL 1 PTY LTD <THE LEVEL ONE A/C>	32,142,924	1.73%
9	MYRA NOMINEES PTY LIMITED	32,017,743	1.72%
10	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	28,309,326	1.53%
11	BLACKCOURT (NSW) PTY LIMITED <LAWSAM SUPER FUND A/C>	27,006,667	1.45%
12	MR JOHN STARK & MRS JULIE STARK <ALLAN DALE R/ESTATE S/F A/C>	25,857,000	1.39%
13	GINGA PTY LTD	24,083,334	1.30%
14	NATIONAL NOMINEES LIMITED	22,673,587	1.22%
15	ALCARDO INVESTMENTS LIMITED <STYLED 102501 A/C>	20,494,242	1.10%
16	GLACIER MEDIA INC	17,274,634	0.93%
17	MIGHTY RIVER INTERNATIONAL LIMITED	14,806,856	0.80%
18	DEBUSCEY PTY LTD	11,739,368	0.63%
19	CITICORP NOMINEES PTY LIMITED	11,617,512	0.63%
20	UCAN NOMINEES PTY LTD <COWEN FAMILY A/C>	10,067,712	0.54%
	Total	**1,493,247,356**	**80.45%**
	Total issued capital - selected security class(es)	**1,856,225,458**	**100.00%**