

**ASPERMONT LIMITED**  
**ACN 000 375 048**

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**ENTITLEMENT ISSUE OFFER DOCUMENT**

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For a pro-rata non-renounceable entitlement issue of 1 Share for every 2.4 Shares held by those Shareholders registered at the Record Date at an issue price of \$0.01 per Share to raise up to \$3,020,492 (based on the number of Shares on issue as at the date of this Offer Document) (**Offer**).

The Offer is partially underwritten up to \$1,000,000 by Claymore Capital Pty. Ltd.

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**IMPORTANT NOTICE**

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**This document is not a prospectus and does not contain all of the information that an investor would find in a prospectus.**

This document has not been lodged with ASIC. It is for information purposes only. Accordingly, this document does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding whether or not to invest in the Shares offered by this document.

This document is important and should be read in its entirety. If after reading this Offer Document you have any questions about the securities being offered under this Offer Document or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Offer Document should be considered as speculative.

**The Offer opens on 20 May 2016 and closes at 5.00pm (WST) on 9 June 2016, unless extended at the Directors' discretion. Valid acceptances must be received before that time.**

Please read the instructions in this document and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement.

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## 1. CORPORATE DIRECTORY

### Directors

Mr Andrew Kent (Executive Chairman)  
Mr John Stark (Non-Executive Director)  
Mr Colm O'Brien (Non-Executive Director)  
Mr Alexander Kent (Managing Director)  
Mr Rhoderic Whyte (Non-Executive Director)

### Company Secretary

Mr John R. Detwiler

### Registered Office

613-619 Wellington Street  
Perth WA 6000

Telephone: + 61 8 6263 9100  
Facsimile: +61 8 6263 9148

Email: [john.detwiler@aspermont.com](mailto:john.detwiler@aspermont.com)

Website: [www.aspermont.com](http://www.aspermont.com)

### Share Registry\*

Advanced Share Registry Services  
110 Stirling Highway  
Nedlands WA 6009

Telephone: +61 8 9389 8033  
Facsimile: +61 8 9262 3723

### Auditor\*

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

### Solicitors

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

### Underwriter\*

Claymore Capital Pty Ltd  
Level 27, 25 Bligh Street  
Sydney NSW 2000

\*These entities are included for information purposes only. They have not been involved in the preparation of this Offer Document.

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## 2. TIMETABLE

Lodgement of Cleansing Notice and Appendix 3B Lodgement of Offer Document with ASX Send Letter to Optionholder	Friday 20 May 2016
Send notice to security holders	Tuesday 24 May 2016
Ex Date - the date on which Shares commence trading without the entitlement	Thursday 26 May 2016
Record Date - the date for determining entitlements of Shareholders to participate	Friday 27 May 2016
Despatch of Offer Document and entitlement acceptance forms	Tuesday 31 May 2016
Last day to extend the offer closing date	Monday 6 June 2016
Closing Date	Thursday 9 June 2016
Securities quoted on a +deferred settlement basis	Friday 10 June 2016
Notify ASX of under subscriptions	Wednesday 15 June 2016
Issue Date	Thursday 16 June 2016

\*The Directors may extend the Closing Date by giving at least 3 Business Days notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

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### 3. IMPORTANT NOTES

This Offer Document is dated 20 May 2016.

The Offer is an offer of continuously quoted securities (as defined in the Corporations Act) of the Company and has been prepared in accordance with section 708AA of the Corporations Act. In broad terms, section 708AA relates to rights issues by certain companies that do not require the provision of a prospectus or other disclosure document.

**Accordingly, the level of disclosure in this Offer Document is significantly less than that required in a prospectus.**

Eligible Shareholders should therefore consider whether the securities offered under this Offer Document are a suitable investment in light of their own investment objectives and financial circumstances and the merits of risks involved, having regard to their own knowledge of the Company and the disclosures made by the Company to the ASX. If after reading this Offer Document Eligible Shareholders have any questions regarding the Offer they should contact their stockbroker, accountant or other professional advisers before deciding whether or not to accept the Offer.

No person is authorised to give information or to make any representation in connection with this Offer Document, which is not contained in the Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Offer Document.

It is important that investors read this Offer Document in its entirety and seek professional advice where necessary. The Shares the subject of this Offer Document should be considered highly speculative.

Applications for Shares offered pursuant to this Offer Document can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form.

Neither ASX nor ASIC takes any responsibility for the contents of this Offer Document or the merits of the investment to which this Offer Document relates.

#### 3.1 Risk factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 6 of this Offer Document. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Offer Document.

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## **4. DETAILS OF THE OFFER**

### **4.1 The Offer**

The Offer is being made as a non-renounceable entitlement issue of 1 Share for every 2.4 Shares held by Shareholders registered at the Record Date at an issue price of \$0.01 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Offer Document and assuming all Entitlements are accepted, a maximum of 302,049,175 Shares will be issued pursuant to this Offer to raise up to \$3,020,492.

As at the date of this Offer Document the Company has 5,000,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer.

All of the Shares offered under this Offer Document will rank equally with the Shares on issue at the date of this Offer Document

The purpose of the Offer and the intended use of funds raised are set out in section 5.1 of this Offer Document.

### **4.2 What Eligible Shareholders may do**

The number of Shares to which Eligible Shareholders are entitled is shown on the accompanying personalised Entitlement and Acceptance Form. Eligible Shareholders may:

- (a) take up all of their Entitlement (refer to section 4.3);
- (b) take up a proportion of their Entitlement and allow the balance to lapse (refer to section 4.6); or
- (c) allow all of their Entitlement to lapse (refer to section 4.7).

Your completed Entitlement and Acceptance Form and payment must reach the Registry no later than 5:00pm (WST) on the Closing Date.

The Offer is non-renounceable. Accordingly, a holder of Shares may not sell or transfer all or part of their Entitlement.

### **4.3 Taking up all of your Entitlement**

Should you wish to accept all of your Entitlement, then applications for Shares under this Offer Document must be made on the Entitlement and Acceptance Form which accompanies this Offer Document or by completing a BPAY® payment, in accordance with the instructions referred to in this Offer Document and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque for the Application Monies indicated on the Entitlement and Acceptance Form.

#### **4.4 Payment by cheque/bank draft**

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Aspermont Limited — Subscription Account" and lodged and received at any time after the issue of this Offer Document and on or before the Closing Date at the Company's Share Registry or to the Company (by delivery or by post) at:

By delivery           Aspermont Limited  
613-619 Wellington Street  
Perth WA 6000

By Post               Aspermont Limited  
PO Box 78  
Leederville WA 6902

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5:00 pm WST on the Closing Date.

#### **4.5 Payment by BPAY®**

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

If you wish to pay via BPAY® you must follow the personalised instructions in your Entitlement and Acceptance Form. Make sure that you use the specific Biller Code and unique Customer Reference Number (CRN) on your personalised Entitlement and Acceptance Form. You do not need to return a completed Entitlement and Acceptance Form but are taken to have made the declarations in the Entitlement and Acceptance Form and the representations outlined below in section 4.8.

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same CRN for more than one of your Shareholdings. This can result in your Application Monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any application in respect of your remaining Shareholdings will not be valid).

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY® are received by 4:00 pm (WST) on the Closing Date.

Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

If you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY® payment.

#### **4.6 Taking up a proportion of your Entitlement and allowing the balance to lapse**

If you wish to take up only part of your Entitlement and allow the balance to lapse, complete the accompanying personalised Entitlement and Acceptance Form for the number of Shares you wish to take up and follow the steps in section 4.3. If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from taking up or selling that part of your Entitlement.

#### **4.7 Allow all or part of your Entitlement to lapse**

If you do not wish to accept or trade any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement or dispose of your Entitlement by the Closing Date, the Offer to you will lapse.

#### **4.8 Implications of an acceptance**

Returning a completed Entitlement and Acceptance Form or paying any Application Monies by BPAY® will be taken to constitute a representation by you that:

- (a) you have received a copy of this Offer Document and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment instruction is given in relation to any Application Monies, the application may not be varied or withdrawn except as required by law.

#### **4.9 Minimum subscription**

There is no minimum subscription.

#### **4.10 No rights trading**

The rights to Shares under the Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX and you may not dispose of your rights to subscribe for Shares under the Offer to any other party. If you do not take up your Entitlement to Shares under the Offer by the Closing Date, the Offer to you will lapse.



#### **4.11 Underwriting**

The Offer is partly underwritten by Claymore Capital Pty Ltd (**Underwriter**) up to the value of \$1,000,000 (**Underwritten Amount**) subject to the provisions of the underwriting agreement (**Underwriting Agreement**) between the Company and the Underwriter. The Underwriter is not a shareholder or a related party of the Company.

The Company has agreed to pay the Underwriter an underwriting fee (Underwriting Fee) of 5% of the Underwritten Amount as consideration for its underwriting obligation, plus a 1% management fee on the entire capital raising to be paid in equity. All sub-underwriting and selling fees to third parties will be met from this fee by the Underwriter.

The Underwriter will ensure that neither the Underwriter nor any Sub-Underwriter will reach over 19.9% of the Company.

#### **4.12 Effect on control of the Company and potential dilution to Shareholders**

Mr Andrew Kent presently is a major Shareholder of the Company and the extent to which Shares are issued pursuant to the Offer may increase his voting power in the Company. Mr Andrew Kent is a related party of the Company by virtue of being a Director. Mr Andrew Kent's present relevant interest is 399,924,135 shares or 55.17% of the Company. Mr Andrew Kent has indicated his intention to take up his full entitlement issue and as such will not diminish his relative holding of the Company.

In the event that no Shareholders other than Mr Andrew Kent applies for their Entitlement under the Offer, Mr Andrew Kent's voting power in the Company will increase to a maximum of 57.14%, after the Underwriter has subscribed for Shares under the Underwriting Agreement.

#### **4.13 ASX listing**

Application for Official Quotation of the Shares offered pursuant to this Offer Document will be made in accordance with the timetable set out at the commencement of this Offer Document. If ASX does not grant Official Quotation of the Shares offered pursuant to this Offer Document before the expiration of 3 months after the date of issue of the Offer Document, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application Monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

#### **4.14 Issue**

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Offer Document.

Pending the issue of the Shares pursuant to this Offer Document, all Application Monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Offer Document as soon as practicable after their issue.

#### **4.15 Overseas Shareholders**

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Document. In particular, this document may not be distributed to any person, and the Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia, Canada, the United Kingdom, Monaco or New Zealand.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

#### **4.16 New Zealand Shareholders**

The Offer is being made in New Zealand pursuant to the Securities Act (Overseas Companies) Exemption Notice 2013.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

#### **4.17 Canada (British Columbia, Ontario and Quebec provinces)**

This document constitutes an offering of Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – *Offer Document and Registration Exemptions*, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the Shares or the offering of Shares and any representation to the contrary is an offence.

No offer document has been, or will be, filed in the Provinces with respect to the offering of Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had an offer document been filed and

received by the securities regulator in the applicable Province. Furthermore, any resale of the Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and offer document requirements. These resale restrictions may in some circumstances apply to resales of the Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the Shares.

The Company, and the directors and officers of the Company, may be located outside Canada, and as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada, and as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

#### ***Statutory rights of action for damages or rescission***

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that (a) the Company will not be liable if it proves that the purchaser purchased the Shares with knowledge of the misrepresentation; (b) in an action for damages, the Company is not liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of the Shares as a result of the misrepresentation relied

upon; and (c) in no case shall the amount recoverable exceed the price at which the Shares were offered.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

### **Certain Canadian income tax considerations**

Prospective purchasers of the Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

### **Language of documents in Canada**

Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

## **4.18 United Kingdom**

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no offer document (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the Shares. This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a offer document pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to the Company.

#### **4.19 Enquiries**

Any questions concerning the Offer should be directed to John R. Detwiler, Company Secretary, on +61 8 6263 9100.

## 5. PURPOSE AND EFFECT OF THE OFFER

### 5.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$3,020,492.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Debt Reduction	\$1,000,000	33%
Expenses of the Offer	\$90,000	3%
Working Capital	\$1,930,492	64%
	<u>\$3,020,492</u>	<u>100%</u>

The funds raised will be first applied towards bank debt. The above table is a statement of current intentions as of the date of this Offer Document. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

### 5.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, will be to:

- (a) increase the cash reserves by \$2,930,492 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer; and
- (b) increase the number of Shares on issue from 724,918,019 as at the date of this Offer Document to 1,026,967,194 Shares.

As announced on 11 May 2016, the Company intends, subject to Shareholder approval in a general meeting, to:

1. undertake a private placement to raise \$2 million at \$0.01 per Share to sophisticated investors; and
2. convert approximately \$5 million of outstanding related party debt to equity at \$0.01 per Share.

### 5.3 Capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted, is set out below.

Shares	Number
Shares currently on issue	724,918,019
Shares offered pursuant to the Offer <sup>1</sup>	302,049,175
<b>Total Shares on issue after completion of the Offer<sup>1</sup>.</b>	<b>1,026,967,194</b>

**Note:**

1. This number may vary due to rounding of Entitlements and may increase as a result of the rounding up of Shares offered under the Offer.

The Company currently has 5,000,000 Options on issue exercisable at \$0.15 on or before 30 October 2016.

The capital structure on a fully diluted basis as at the date of this Offer Document would be 729,918,019 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Options are exercised prior to the Record Date) would be 1,031,967,194 Shares.

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

## 5.4 Dilution

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 29.41% (as compared to their holdings and number of Shares on issue as at the date of this Offer Document).

Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record date	Approximate % at Record Date <sup>1</sup>	Entitlements under the Offer	Holdings if Offer not taken Up	Approximate % post Offer
Shareholder 1	50,000,000	6.90%	20,833,333	50,000,000	4.87%
Shareholder 2	25,000,000	3.45%	10,416,667	25,000,000	2.43%
Shareholder 3	10,000,000	1.38%	4,166,667	10,000,000	0.97%
Shareholder 4	1,000,000	0.14%	416,667	1,000,000	0.10%
Shareholder 5	100,000	0.01%	41,667	100,000	0.01%

### Notes:

- This is based on a share capital of 724,918,019 Shares at the date of this Offer Document.

## 5.5 Details of substantial holders

Based on publicly available information as at 18 May 2016, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Mr Andrew Kent	399,924,135	55.17%
Mr John Stark	77,387,000	10.68%

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

The potential effect that the issue of the Shares under the Offer will have on the control of the Company is as follows:

- if all Eligible Shareholders take up their entitlements under the Offer, the issue of Shares under the Offer will have no effect on the control of the Company and all Shareholders will hold the same percentage interest in

the Company, subject only to changes resulting from Ineligible Shareholders being unable to participate in the Offer; and

- (b) in the more likely event that there is a shortfall, Eligible Shareholders who do not subscribe for their full entitlement of Shares under the Offer and Ineligible Shareholders unable to participate in the Offer will be diluted relative to those Shareholders who subscribe for some or all of their Entitlement as shown by the table in section 5.4, together with any additional Shares taken up under the Shortfall Offer and underwritten by the Underwriter.

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## 6. RISK FACTORS

### 6.1 Introduction

The Shares offered under this Offer Document are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Offer Document and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Offer Document.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### 6.2 Company specific

#### (a) Potential for significant dilution

Upon implementation of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date the number of Shares in the Company will increase from 724,918,019 currently on issue to 1,026,967,194. This means that each Share will represent a significantly lower proportion of the ownership of the Company.

**Investors should also be aware that, as announced on 11 May 2014, the Company intends to undertake a private placement after completion of the Offer, and to convert all related party debt. Both actions are subject to shareholder approval in a general meeting. The placement and/or the debt conversions will have an additional dilutionary impact on the Company's issued capital.**

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to the offer document being lodged of \$0.009 is not a reliable indicator as to the potential trading price of Shares after implementation of the Proposed Transaction.



(b) **Going concern risk - current status of the loan facility with the ANZ**

The Company's external party loan is with the Australian and New Zealand Banking Corporation ("ANZ") and is secured by registered company charges and fixed and floating charges over the assets of the consolidated entity. The Company currently has an amount of \$1,873,795 outstanding under the loan.

At the current time the Company is in breach of the financial covenants of the facility for the calculation of the Senior Debt to EBITDA (earnings before interest, taxes, depreciation and amortisation), ratio, the minimum sales, and the minimum EBITDA on a financial year to date basis. In addition, the company is in arrears on scheduled principal payments.

The Company is in regular communications with ANZ to rectify the arrears and negotiate a revised facility. The bank is supportive of the Company's capital raising activities.

As indicated in the use of proceeds table in section 5.1 of this Offer Document, the Company proposes to use a portion of the proceeds to reduce the loan amount with the ANZ. The Directors believe there are no matters existing to indicate that the Company will be unable to successfully negotiate a new facility.

The Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current commitments and short term working capital requirements.

(c) The Media Industry is currently undergoing a transition from print and online publication to new digital publications

The Company continues the transition of reallocating resources from existing print and online audiences to digital audiences that include digitally produced magazines, webinars, social networks and mobile devices. The speed and depth of this transition in the marketplace is difficult to predict and the Company faces risks relating to the timing and scale of the required investments measured against the revenues predicted from these new media channels.

(d) The Company is largely dependent on the Mining Industry for the majority of its revenues

The Company receives a significant majority of its revenues from media and event revenues focused on the mining and resource industries. With the rapid decline of commodity prices in recent years as well as the completion of many significant resource investment projects, particularly in Australia, these industries have contracted their discretionary spending. These decisions have affected our revenues for subscriptions, advertising and industry event participation in the mining and resource industries.

(e) Retention of existing clients

An important factor in the Company's success is its ability to maintain its existing relationships with clients. This will depend upon a number of factors including the Company's ability to attract users to its websites.

Additionally, the Company's success will depend in part upon its ability to react to technological advances and emerging industry standards in a timely manner. If the Company does not maintain the ease of use of its websites and search engines and the functionality of its websites to attract users, it may not retain its existing customers.

(f) **Competition risk**

The industry in which the Company is involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

### **6.3 General risks**

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. There is however no guarantee that the Company will be able to secure any additional

funding or be able to secure funding on terms favourable to the Company.

(d) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(e) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Offer Document.

(f) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

#### **6.4 Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Offer Document.

Therefore, the Shares to be issued pursuant to this Offer Document carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Offer Document.

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## **7. ADDITIONAL INFORMATION**

### **7.1 Litigation**

As at the date of this Offer Document, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

As announced on 18 January 2016 the Company is involved in Arbitration procedures against Gainwealth Group Limited concerning Beacon Events Limited.

### **7.2 Continuous disclosure obligations**

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) and is therefore subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

Specifically, the Company is required to notify ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the securities markets conducted by the ASX. In particular, the Company has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price of value of its securities.

All announcements are available through the Company’s website [www.aspermont.com](http://www.aspermont.com) or via the ASX website [www.asx.com.au](http://www.asx.com.au) (Aspermont company code ASP).

This Offer Document is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include information that would be included in a disclosure document or which investors ought to have regard in deciding whether to subscribe for Shares under the Offer. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors’ statement and report, and an audit report or review. These reports are released to ASX and published on the Company’s and the ASX websites.

This Offer Document (including the Entitlement & Acceptance Form) and the contracts that arise from acceptance of the Applications are governed by the laws applicable in Western Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of Western Australia. T

### **7.3 Market price of shares**

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

## 7.4 Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Offer Document, together with their respective Entitlement, is set out in the table below.

Director	Shares	Options	Entitlement	\$
Andrew Kent	399,924,135	Nil	166,635,057	\$1,666,351
John Stark	77,387,000	Nil	32,244,584	\$322,446
Rhoderic Whyte	8,306,428	Nil	3,461,012	\$34,610
Colm O'Brien	7,150,834	Nil	2,979,515	\$29,795
Alexander Kent	36,000	Nil	15,000	\$150
<b>TOTALS</b>	<b>492,804,397</b>	<b>Nil</b>	<b>205,335,168</b>	<b>\$2,053,352</b>

The Board recommends all Shareholders take up their Entitlement and advises that all Directors intend to take up their respective Entitlements.

## 7.5 Interests of experts and advisers

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$25,000 (excluding GST and disbursements) for these services.

Claymore Capital has agreed to underwrite the offer up to a maximum of \$1,000,000. Claymore will be paid a fee of 5% of the maximum underwriting amount to be paid in cash plus a 1% management fee on the entire capital raising. The total fee will be \$50,000 in cash and \$30,204.92 in equity at \$0.01 per Share.

## 7.6 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$90,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

	<b>\$</b>
ASX fees	9,794
Underwriting fees	50,000
Legal fees	25,000
Printing and distribution	3,506
Miscellaneous	1,700
<b>Total</b>	<u>\$90,000</u>

In addition, the Underwriter will receive a management fee to be paid in equity of 1% of the entire capital raising (\$30,204.92 @\$0.01 per share / 3,020,492 Shares).

## 7.7 Electronic offer document

If you have received this Offer Document as an electronic Offer Document, please ensure that you have received the entire Offer Document accompanied by the Application Forms. If you have not, please phone the Company on +61 8 6263 9100 and the Company will send you, for free, either a hard copy or a

further electronic copy of the Offer Document, or both. Alternatively, you may obtain a copy of this Offer Document from the Company's website at [www.aspermont.com](http://www.aspermont.com).

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Offer Document and any relevant supplementary or replacement offer document or any of those documents were incomplete or altered.

## **7.8 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship**

The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Offer Document. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

## **7.9 Privacy Act**

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Offer Document.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

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**8. DIRECTORS' AUTHORISATION**

This Offer Document is issued by Aspermont Limited (ACN: 000 375 048) and its issue has been authorised by a resolution of the Directors.



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**Alex Kent**  
**Managing Director**  
**For and on behalf of**  
**ASPERMONT LIMITED**

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## 9. GLOSSARY

**\$** means the lawful currency of the Commonwealth of Australia.

**Applicant** means a Shareholder who applies for Shares pursuant to the Offer.

**Application** means an application to subscribe for Shares under this Offer Document.

**Application Form** means an Entitlement and Acceptance Form.

**Application Monies** means money submitted by Applicants in respect of Applications.

**ASIC** means the Australian Securities and Investments Commission.

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

**ASX Listing Rules** means the listing rules of the ASX.

**ASX Settlement Operating Rules** means the settlement rules of the securities clearing house which operates CHESS.

**Board** means the board of Directors unless the context indicates otherwise.

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

**Closing Date** means the date specified in the timetable set out at the commencement of this Offer Document (unless extended).

**Company** means Aspermont Limited (ACN 000 375 048).

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

**Directors** means the directors of the Company as at the date of this Offer Document.

**Eligible Shareholder** means a Shareholder of the Company as at the Record Date other than an Ineligible Shareholder.

**Entitlement** means the entitlement of a Shareholder who is eligible to participate in the Offer.

**Entitlement and Acceptance Form** means the entitlement and acceptance form either attached to or accompanying this Offer Document.

**Ineligible Shareholder** means a Shareholder as at the Record Date whose registered address is not situated in Australia, New Zealand or Monaco or is not a Shareholder situated in Canada or the United Kingdom as described by sections 4.17 or 4.18.

**Offer** means the non-renounceable entitlement issue the subject of this Offer Document.

**Official Quotation** means official quotation on ASX.



**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Offer Document** means this offer document.

**Record Date** means the date specified in the timetable set out at the commencement of this Offer Document.

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

**Shareholder** means a holder of a Share.

**Underwriter** means Claymore Capital Pty Ltd.

**Underwritten Amount** means the amount specified in clause 4.11 above.

**Underwriting Agreement** means the agreement specified in clause 4.11 above.

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