

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 15 months ended 30 September, 2017, following the change of balance sheet date to September 30.

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 \$14.8m (+1% growth at constant currency over prior comparable period (pcp))
- Improved Operating Gross margin of 16% versus 10% pcp
- Normalised EBITDA¹ of \$0.1m, reversing EBITDA loss reported in pcp.
- Improved cash flow and liquidity² of +\$0.5m
- Reduction in Balance sheet debt; down from \$8.3m to \$0.1m

Aspermont is now cash-flow generative from normalised operations³ 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 and bottom line with improving gross margins. We are entering what should prove to be an exciting phase of 'accelerated growth and profitability' and we are firmly focused on executing to plan.

Aspermont has been reinvigorated by new management, a new board and completion of a two-year structural and technological transformation. The Company's digital-media platform (codenamed: Project Horizon) is now fully in play and Aspermont is set to maximise 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:

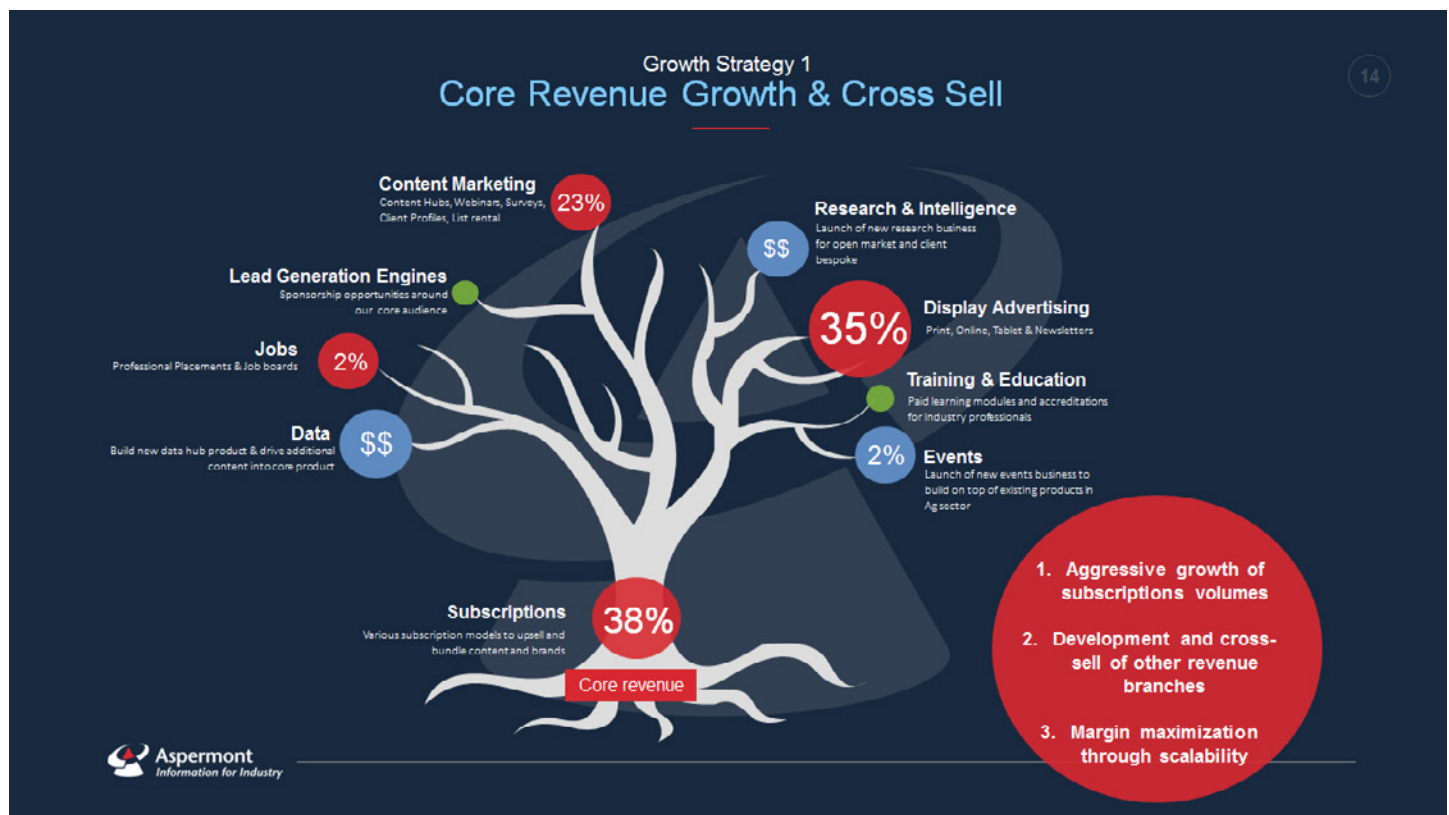
1. Further organic growth in core and ancillary revenue bases
2. Leveraging established infrastructure to scale our model for new markets
3. Targeting other iconic print brands (such as the 185 years old Mining Journal) for potential acquisition and successful digitalisation

¹Normalised EBITDA is after excluding one-time exceptional costs (see appendix 1)

²Net current working capital is calculated as current assets excluding provisions less current liabilities excluding income in advance and provisions

³Normalised Operational cash-flow analysis provided in note 20c of financial report

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-monetisation 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 while we optimise 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 centralised, 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 commercialisation 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. As each new branch 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 capacities.

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 – 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 on market entry through acquisition, we are prepared to accelerate future growth by acquisition and subsequent digitalisation of other, truly iconic, print titles – as we did after acquisition of Mining Journal in 2008.

Any acquisition must 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 digitalisation of old brands imported on to Aspermont's Project Horizon platform, and also through cost efficiencies associated with their integration.

Tracking our Performance

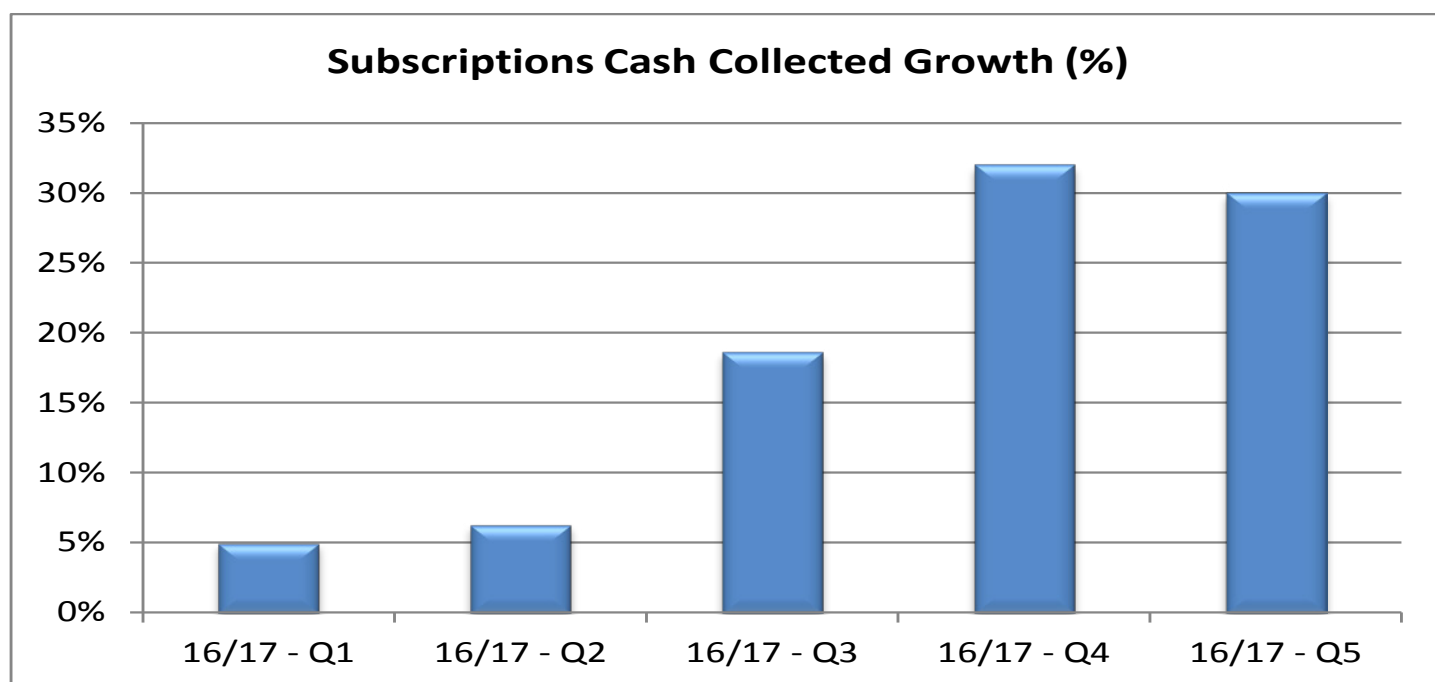
Our [investor presentation in August 2017](#) outlined our 12 month execution plan and we invited investors to monitor our progress in achieving those stated goal.

We set out these four key areas for monitoring performance:



In the first three 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 Aspermont Research & Intelligence Unit, our new research business, with a successfully commercialised first product:
 - [Mining Journal World Risk Report 2017](#)
- Launched our new V4 platform and migrated [Mining-Journal.com](#) onto the platform
- Achieved an accelerated growth in subscriptions across all key SaaS metrics:
 - Graph 1, below, shows % growth in subscriptions cash quarterly when compared to pcq
 - 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	24%
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, Alex brings further depth to the Aspermont Board and operations as the Group continues its digital evolution.

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

"Having transformed itself over the past two years at almost every level of the organisation, Aspermont has a unique opportunity to deliver high growth over the next few years, from both 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*)

Mr Ajit Patel 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. Given my experience in building similar models and platforms at Incisive Media and VNU (now Nielsen), I believed I could help them realise that vision, with the knowledge that their executive team knew exactly how transformational it would have to be – both in business and culture – for us to be able to deliver on those ambitions.

"Project Horizon (PH) was the architecture to help Aspermont build a technological framework that would enable it to meet its 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 that 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 Nishil 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 eight years, Nishil 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 past two-years, restructured its entire operating structure to maximise new growth.

"With new systems, processes 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, Mr Robin Booth 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. Andrew was the CEO of Aspermont from 2000 to 2005 and holds considerable knowledge of its products and the market landscape. He 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 past two 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 29 years' experience at both board and senior management level within public companies and the securities industry. Geoff 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 Aspermont 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*)

Mr Christian West has over 16 years' experience in advising public companies on portfolio structure and 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 Ltd, a venture capital group specialising 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)*

Mr 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 team to connect global partners through event forums that deliver immense value for participants and significant additional revenue for Aspermont.

"Within the past 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. 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 two-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 maximise our short-term objectives.

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

Yours sincerely,

Alex Kent

Managing Director

Aspermont Limited

Appendix 1: Normalised EBITDA

The reconciliation of statutory earnings to EBITDA is as follows:

	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)

¹While the amounts relating to the discontinued operations have been classified in discontinued operations the gain/(loss) relates to the shareholders of Aspermont

²Exceptional charges are all one-off transformation, divestment, provisions and legal costs