ASPERMONT LIMITED
Appendix 4D
(AUD)

Financial statements for the half-year ended 31 March 2020

All comparisons to half-year ended 31 March 2019

Aspermont Limited Consolidated			$'000
Revenue from continuing operations	Down	4%	8,111
Gross Profit	Down	9%	4,327
Net loss after tax attributable to equity holders of the parent entity	Up	75%	(1,499)
EBITDA	Up	24%	(609)
Normalised EBITDA[(1)]	Down	167%	(86)

(1) Normalised EBITDA is after adjusting for one-off exceptional non-recurring charges and estimated expenditure in new business and product lines (see reconciliation to statutory earnings below)

Note: Revenue, Gross Profit and EBITDA have been impacted as last quarter was disrupted due to COVID-19 which has caused various reporting anomalies. This is further detailed in the Operations report within the 31 March 2019 half-year financial statements

Dividends/distributions	Amount per security	Franked amount per security
Final dividend	N/A	N/A
Interim dividend	N/A	N/A

Additional dividend/distribution information
N/A

Dividend/distribution reinvestment plans
The Aspermont dividend re-investment plan is currently suspended.

NTA Backing	**HY20**	**HY19**
Net tangible asset backing per ordinary share	(0.45)c	(0.35)c
Net tangible asset backing per ordinary share (weighted)	(0.46)c	(0.35)c

Details of aggregate share of losses of associates and joint venture entities

Groups share of associates and joint venture entities	HY20 $'000	HY19 $'000
Share of loss from ordinary activities of associates	-	-
Material interest in entities which are not controlled entities (% held)	-	-

Normalised EBITDA Reconciliation

The reconciliation of statutory earnings to normalised EBITDA is as follows:

In order to provide shareholders with a more meaningful comparison of the Company's underlying performance in the current period, the Directors have presented normalised EBITDA comparable figures for the half year ended 31 March 2020.

Half Year Ended	31 Mar 2020 $000	31 Mar 2019 $000
Reported income/(loss) from continuing operations before income tax expense	**(1,647)**	**(6,017)**
Net interest	42	28
Depreciation and amortisation	759	275
Other (share based payments & provisions, foreign exchange, other income)	240	(30)
Write-down of Loan receivable	-	4,944
Reported EBITDA	**(609)**	**(799)**
Exceptional one-off charges (2)	91	177
New business establishment costs (3)	432	750
Normalised EBITDA (1)	**(86)**	**128**

(1) These normalised figures are based on internal management accounts that have not been audited

(2) One-off expenses relating to business restructuring predominantly upskilling of commercial teams from transactional to solution selling

(3) Estimated expenditure in relation to the establishment of new business lines e.g. Lead Generation and Content Agency

Additional appendix 4D disclosure requirements can be found in the Directors' Report and the 31 March 2020 half-year financial statements.

This report is based on the consolidated 2020 half-year financial statements which have been reviewed by Elderton Audit Pty Ltd with the Independent Review Report included in the 31 March 2020 half-year financial statements.

Aspermont

Information for Industry

ABN: 66 000 375 048

HALF YEAR REPORT

For the financial Half Year ended

31 MARCH 2020

Lodged with ASX under listing rule 4.2A.3

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CORPORATE DIRECTORY

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

Company Secretary
Tim Edwards

Other Key Management Personnel
Nishil Khimasia – Chief Financial Officer, Group
Ajit Patel – Chief Operating Officer, Group
Matt Smith – Chief Commercial Officer, Group
Leah Thorne – Group People Director

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Australian Stock Exchange Limited
ASX Code: ASP

Website
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Note: All slides presented within the body of this report are excerpts from the recently announced presentation: "Aspermont H1-20 Investor Update"

Overview

Aspermont is the leading media services provider to the global resource industries.

Significant investments have been made in content and technology platforms to establish premium audience solutions which have delivered 15 successive quarters of comparative growth in subscriptions revenues and associated SaaS metrics.

In FY20 Aspermont moved into the 4th phase of its development program with an established capability to deliver end to end marketing solutions for its clients.

In the first half of this year the Company has continued the evolution of its sales approach towards a solutions basis and the recent ASX announcement (ASP Launches New Multimedia Product Series) characterises its progress well.

Where other media companies follow the market; Aspermont leads them – and never more so than it does today.

Over the past 3 years Aspermont has delivered consistent growth in revenues, margins and profitability whilst making significant investments to enhance the scalability of its model.

Aspermont's base is built for continued expansion and the delivery of long-term organic growth.

H1-20 has seen disruption in growth momentum due to the impacts of COVID-19. A few specific factors have created material distortion in the reported performance of the business compared with its underlying performance. This report covers those distortions in detail.

COVID-19

March'20 pandemic

As COVID-19 developed we anticipated there would be a significant impact on our Events division, a moderated impact on our Media division and a muted impact on our Subscriptions division.

In crises such as COVID-19, the importance of being able to access independent and reliable content, in a timely manner, is paramount and by the middle of March we started to see large traffic spikes in our digital audiences.

How long the crisis would last for and what the full term impacts might be were speculative and so, as we announced on 15th April, we decided to remove our FY20 financial guidance.

As we approached the end of March, we had taken the decision to postpone some of our live Events as well as identifying and executing $2m of annualised cost saving initiatives. We also transferred the entire staffing body of Aspermont to remote working.

Q2 Financial Reporting Impacts

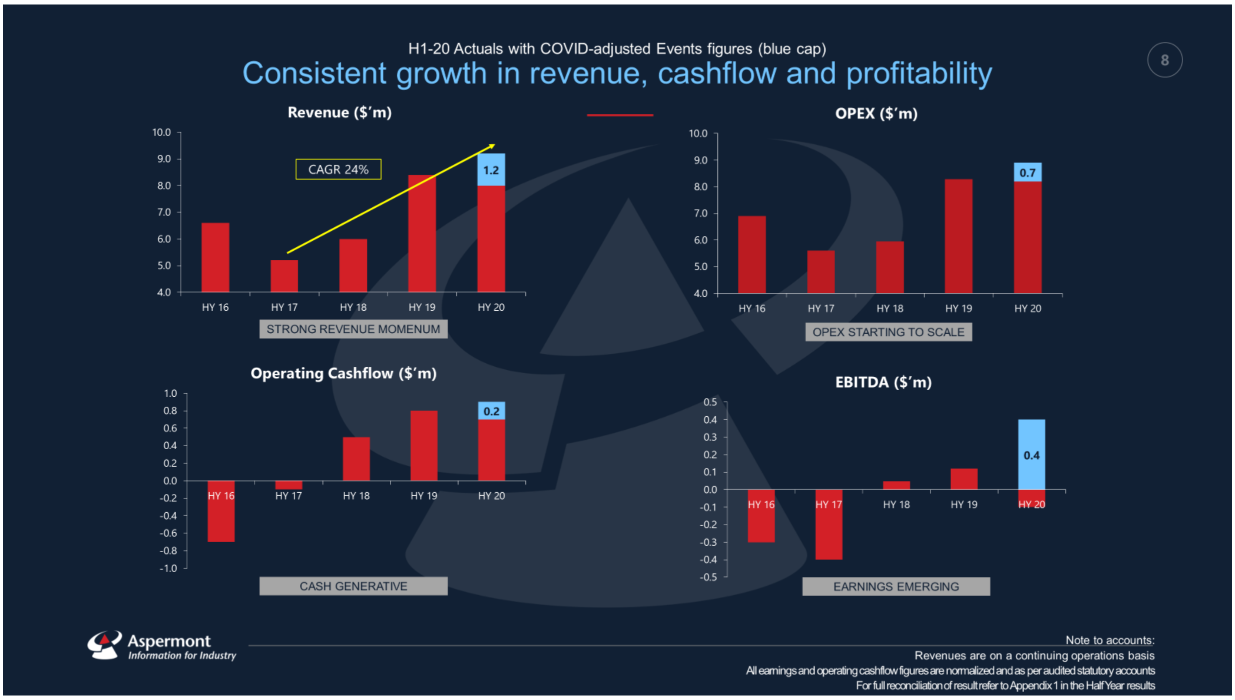
Our last quarter was specifically disrupted by COVID-19 and certain factors associated with that have resulted in material reporting anomalies.

- Revenue
    - Events
        - Q2 Events were postponed due to COVID-19, as announced on the 18th of March.
        - Those events are now scheduled to run on 30th November 2020.
        - As a result, Events division revenues from Q2 are being shifted to Q1-21
    - Media revenues were also been impacted by COVID-19 in Q2, owing to deterioration in client budgets and spends.

- Margins, EBITDA, Cash flow
    - All margins and bottom-line metrics have been impacted by revenue contractions and Events postponements.

Regarding our Q2 Events postponements, the Company has high visibility of their likely financial result (for H1) given how close the announcement was to the actual run date.

For illustrative purposes, the charts below show what our half year performance would have been had the events been run. Whilst income in other parts of the business was also affected by COVID-19, we have only highlighted the distortion in our Events business. (Please see COVID-adjustment blue caps).



Actions taken so far to mitigate COVID-19 disruption

In response to COVID-19's economic and wider community impacts we took a number of early measures as announced on 15th April.

These included:

1. $2m reduction in annualized operational cost base.
2. COVID-19 related tax grants secured both in Australia and UK.
3. 'Free to air' provision of COVID-19 related news and other content, produced by Aspermont, to our non-subscribers.

Since that announcement we have also accelerated the final part of our cloud migration project to ensure all systems, servers, phones, and collaboration tools are fully in place for our staff and no productivity losses have been suffered.

Operational impacts we foresee for H2-20

We expect current lockdown and social distancing restrictions to impact both our ability to run live Events in Q3 and Q4 and our ability to resume normal office working conditions with our staff.

We also expect to see tougher market conditions for Media revenues continue throughout the second half and extend debtor days and therefore cash collection cycles, in our Subscription business. From a revenue recognised perspective, we expect this for H2:

- Low to no revenue for the Events division
- Single digit growth for Media, as opposed to double digits
- Single digit growth for Subscriptions, as opposed to double digits

We also expect to see a level of cancellations for client marketing campaigns that have been previously booked but the impact from this should be low.

Financial impacts we see on future reporting period

Following the postponement of all our Events for the remainder of this Financial Year and the shifting of those events into Q1 of next year; we expect to report underperformance in our P&L for the year-end result. Our lower growth horizon in both Media and Subscription revenues will also impact our top-line result.

On the other side of the ledger we expect to report significant cost savings against last year's figures, owing to number of initiatives we have now implemented. This will defend our bottom-line result for the year.

Ultimately all these circumstances happening simultaneously will produce an anomalous result for FY20 and likely FY21 as well.

With so much Events revenue (and corresponding contribution) shifting from FY20 to FY21; the full year FY20 result will be adversely affected with the expectation of an improved FY21 result.

Cash flow strategy

Due to the prevailing uncertainty and divergence in market outlook, by governments and experts, we have adopted a defensive cash flow strategy.

In addition to the measures previously announced we will also be implementing a further three initiatives to bolster our short and medium term cash flow positions:

1. Further operational savings will be taken by the business but without impacting product continuity or quality.
2. Grants from the Australian and UK government, with respect to JobKeeper and furlough, will be realised.
3. The company will propose a small capital raising to provide additional working capital and funds for product development. The details of this activity will be announced to the ASX shortly.

These additional measures taken will enable Aspermont to come through this COVID-19 period sensibly and position us competitively to maximise the opportunities of the returning market.

Looking longer-term

There is no doubt that the Global Financial Crisis in 2008 marked a crossing point for most Print publishers and traditional advertising businesses. At that time, 'new media' bypassed the traditional formats and took control of large swathes of market share in terms of audience/eyeballs and advertising dollars.

2008 did not however expose a more fundamental weakness in the commercial media model as the COVID-19 crisis is now. And that is the undeniable reality; for both new and traditional media providers; that only those businesses with a stronghold in subscriptions and agile digital publishing platforms have resilience in the toughest of conditions.

Subscriptions businesses are of course not something that can simply be deigned but must be developed through content quality, framework, process, and technology over decades; with a strength in renewal rates being the enduring results of accrued trust built over that time.

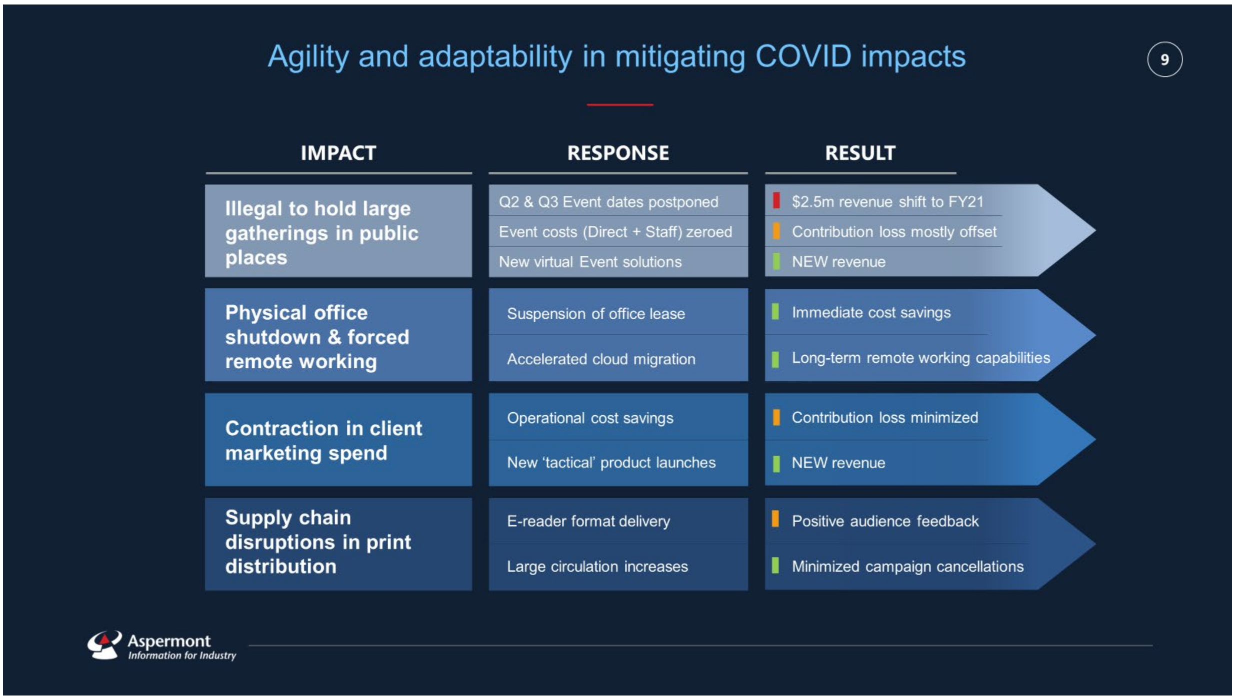
With 560 years of brand heritage and a digital subscriptions model that has been developed over decades; Aspermont is competitively placed, in the global media market for the long term.

It is also clear that whilst the current crisis will in no way signal the end of live face to face Events (because people will always do business with people), the market does now demand higher quality digital solutions to provide it with 'meeting place' optionality. In our sectors no competitor provides anything of real merit in this digital forum but in H2 Aspermont will launch a disruptor. We have been looking to build a digital 'meeting place' solution for many years and this COVID-19 period has finally given us the time and impetus to bring one to market.

Constant innovation, technological agility and organisational adaptability will be the key drivers of success not just over the next 6 months but the longer term. Mining Journal's recently launched Stakeholder Engagement Programme, as announced on 12th May; gives investors an insight into how well Aspermont is setup for the next phase.

We have spent many years building a newly skilled operational team and never has Aspermont had the technological armoury to execute innovation with the speed and effectiveness that it does today.

We adapt with speed and that sets us apart.



Key Financial Highlights

Period Ended 31 March	2020	2019	Improvement
Media [(1)]	*$3.7*	*$3.3*	*+13%*
Subscriptions	*$3.4*	*$3.2*	*+7%*
Events	*$1.0*	*$1.9*	*-43%*
Total Revenue	**$8.1**	**$8.4**	**-4%**
Gross Margins	53%	57%	-4%
Normalised EBITDA [(2)]	**($0.1m)**	**$0.1m**	**-169%**
Normalised Cash Flow from Operating Activities [(2)]	$0.7m	$0.8m	-16%

Notes:
(1) Media revenues are a catchall aggregate for: Display Advertising, Content Marketing, Content Agency & Lead Generation
(2) Refer to Appendix 1 for full reconciliation of normalized figures

Actual Results

- Subscription revenue staying robust at 7% growth.
- Media revenue benefitting from new products and services launched to grow 13%, despite COVID-19 impacts
- Events revenue impacted by postponements producing an anomalous 43% decline.
- $0.3m new revenue generated in recently launched Lead Generation and Content Agency divisions (which is included in the overall Media revenue number).
- Gross Margins, EBITDA and Operating cash flow impacted by COVID-19 related Events postponements.

COVID-19 adjusted results

As discussed previously, two of our most profitable events were postponed in Q2 which has distorted our figures.

For illustrative purposes we have presented what our results would have looked like had those two events gone ahead as planned:

Period Ended 31 March	**2020**	**2019**	**Improvement**
Media (1)	*$3.7*	*$3.3*	*+13%*
Subscriptions	*$3.4*	*$3.2*	*+7%*
Events	*$2.2*	*$1.9*	*+16%*
Total Revenue	**$9.3**	**$8.4**	**+11%**
Gross Margins	58%	57%	+1%
Normalised EBITDA (2)	**$0.4m**	**$0.1m**	**+233%**
Normalised Cash Flow from Operating Activities (2)	$1.0m	$0.8m	+25%

Notes:
(1) Media revenues were impacted by COVID-19 but have not been adjusted
(2) Refer to Appendix 1 for full reconciliation of normalized figures

- Without the postponements our Events division was on track to report 16% growth in revenues
- Overall, this would have constituted an 11% growth in total revenue
- That revenue and contribution improvement would have generated strong gains in margins, cash flow and EBITDA.

Incorporating H2, the postponement of some $2.5m in FY20 Events will create an anomaly for this year's reporting that we expect to reverse in FY21.

Audience Metrics

Aspermont has now delivered 15 consecutive quarters of comparative growth in all audience metrics.

Key Subscriptions SaaS Metrics	As at June 2016	As at March 2020	Compound Annual Growth Rate
Number of Subscriptions [1]	7,158	7,650	2%
Average Revenue Per Unit (ARPU)	$623	$1,041	15%
Annual Contract Value (ACV)	$4.5m	$8.0m	16%
Web Traffic (Sessions)	3.8m	5.7m	12%
Web Traffic (Users)	1.1m	3.1m	32%
Loyalty Index	41%	58%	10%
Renewal Rate	73%	83%	3%
Lifetime Years	3.7	6.0	14%
Lifetime Value	$16.5m	$48.0m	33%

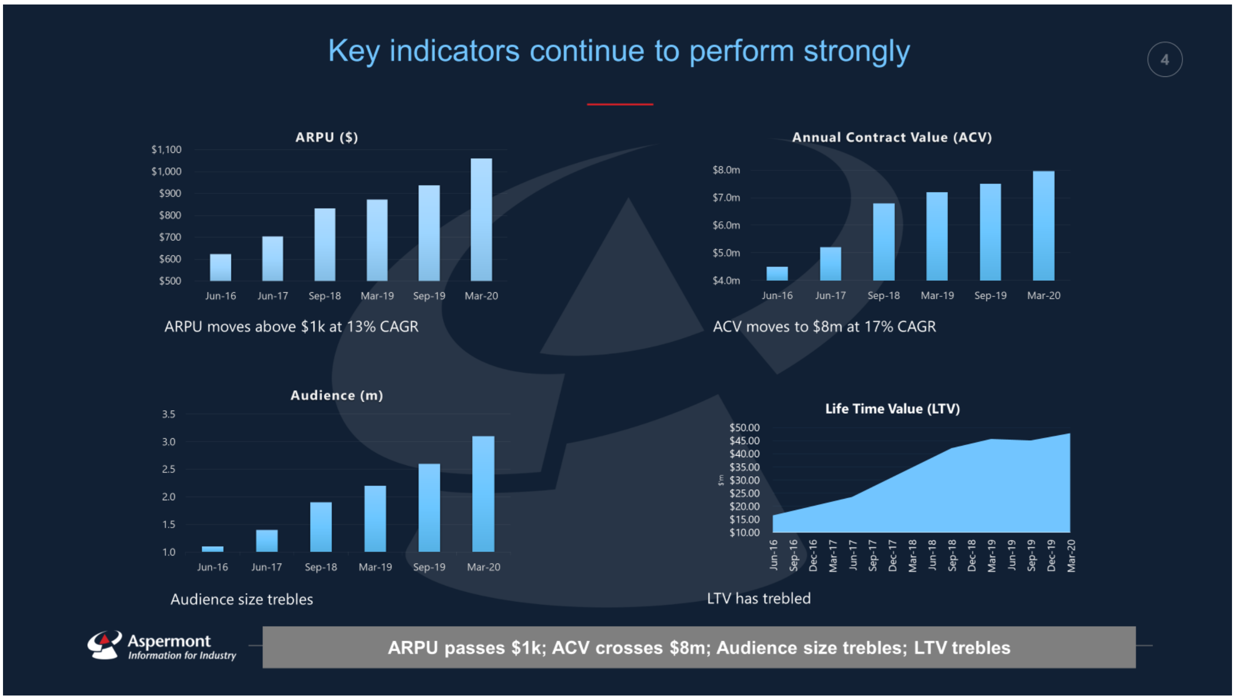
Notes:

(1) Aspermont does not present the number of Paid Members per subscription, for competitive reasons. Whilst 'Number of Subscriptions' orders are showing low growth the actual number of Paid Members is in double digit growth owing to our successful ABM strategies.

Since June 2016 Aspermont's:

- Users have trebled. (1.1m to 3.1m)
- The LTV of subscriptions have trebled. ($16.5m to $48.0m)
- Our pricing has roughly doubled and passed $1k. ($623 to $1,041)
- Our renewals rates continue lifting; (73% to 83%)
- And our ACV has almost doubled and passed $8m ($4.5m to $8.0m)

For any SaaS based business these metrics are compelling. Subscriptions are of course only one arm of Aspermont's value proposition.



Financial Position

Aspermont has no net debt and as of the middle of May 2020 has a cash balance in excess of $0.7m despite significant investments in organic business drivers.

The Company is currently being impacted by COVID-19 and the resulting economic climate. The business has taken appropriate cost saving measures to mitigate these impacts and plans to execute additional operational savings, alongside the securing of government grants and a proposed small capital raising.

Outlook

Aspermont has a proven model that exhibits resilience in abnormal market conditions such as those presented by COVID-19.

Subscriptions are the bedrock of the business and are expected to grow for a long time regardless; as they have done on a comparative basis for the last 15 quarters.

Revenue disruption in other parts of the Group are being met by operational savings in equal measure.

In reconstituting our bottom-line performance and executing a small capital raise, the company is planning to bolster its cash position to remain strong and competitively placed for an expected market recovery.

Our unit economies are attractive; we have a relatively stable fixed cost base; we have no debt; and the business has a management team who has already shown its ability to affect a full business turnaround. Aspermont is therefore well equipped to deal with the current COVID-19 crisis.

We have the people, the brands, and technologies in place to see Aspermont drive through FY20, with the framework laid for a much improved FY21 result.

Appendix 1:

1. Normalised EBITDA

The reconciliation of statutory earnings to EBITDA is as follows:

Half Year Ended	**31 Mar 2020 $000**	**31 Mar 2019 $000**
Reported income/(loss) from continuing operations before income tax expense	**(1,647)**	**(6,017)**
Net interest	42	28
Depreciation and amortisation	759	275
Other (share based payments & provisions, foreign exchange, other income)	240	(30)
Write-down of loan receivable	-	4,944
Reported EBITDA	**(609)**	**(799)**
Exceptional one-off charges (2)	91	177
New business establishment costs (3)	432	750
Normalised EBITDA (1)	**(86)**	**128**

2. Normalised Cash Flow from Operations Reconciliation

Half Year Ended	**31 Mar 2020 $000**	**31 Mar 2019 $000**
Cash flows from operating activities		
Cash receipts from customers	8,871	9,147
Cash outflows to suppliers and employees	(8,688)	(9,521)
Interest received / (paid)	2	(17)
Cash inflow (outflow) from Operating activities	**185**	**(391)**
Exceptional cash outflows (2), (3)	510	1,214
Normalised cash inflow/(outflow) from operating activities (1)	**695**	**823**

Notes for Normalised EBITDA and Normalised Cash Flow from Operations reconciliations:
(1) Based on unaudited management accounts
(2) One-off expenses relating business restructuring. We have referenced the evolution of our sales approach from transactional to solution-based selling. These expenses reflect upskilling costs in our commercial teams as part of that process
(3) Expenditure in relation to the establishment of new business lines. In previous years the Company has launched new businesses such as in Events and Research. In the last 12 months the business has launched Content Works and Lead Generation, as previously announced. Establishment costs normalised in this year relate to those two new divisions.

The Directors present their six-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 half year ended 31 March 2020.

Directors

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

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

Principal activities

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

Operating results

The operating loss before tax for continuing operations was $1.64 million (2019: loss $6.09 million).

Dividends

No dividend has been declared for the period (2019: no dividend).

Review of operations

A review of the operations of the Group during the financial half year has been set out on pages 4 to 12 of this report.

Significant changes in the state of affairs

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

Events subsequent to the end of the half year

The Directors are proposing a small capital raising to strengthen further the balance sheet and provide working capital to deal with the anticipated impact of COVID-19.

No further events have occurred subsequent to the end of the half year.

Likely developments and expected results of operations

The second half of the financial year is expected to be one of further challenge to manage the impact of COVID-19 and the resulting economic crisis. The Company also intends to focus on its innovation hubs to deliver new products to market that suit the prevailing economic conditions.

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 15 and forms part of the directors' report for the half year ended 31 March 2020.

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 25th May 2020

Signed in accordance with a resolution of Directors.

Alex Kent
Managing Director

ELDERTON
AUDIT PTY LTD

Auditor's Independence Declaration

To those charged with the governance of Aspermont Limited,

As auditor for the review of Aspermont Limited for the half-year ended 31 March 2020, I declare that, to the best of my knowledge and belief, there have been:

(i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd

Nicholas Hollens

Nicholas Hollens
Managing Director

25 May 2020
Perth

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	31 March 2020 $000	31 March 2019 $000
Continuing operations		
Revenue	8,111	8,429
Cost of sales	(3,784)	(3,656)
Gross Profit	**4,327**	**4,773**
Distribution expenses	(304)	(323)
Marketing expenses	(2,534)	(2,555)
Occupancy expenses	(202)	(413)
Corporate and administration	(2,348)	(1,904)
Finance costs	(42)	(28)
Share based payments	(176)	(76)
Other expenses	(368)	(553)
Impairment of loan receivable	-	(4,944)
Other income	2	6
Loss from continuing operations before income tax expense	**(1,645)**	**(6,017)**
Income tax benefit/(expense) relating to continuing operations	146	(69)
Loss for the half year	**(1,499)**	**(6,086)**
Loss attributable to:		
Net loss attributable to equity holders of the parent entity	(1,499)	(6,086)
	(1,499)	**(6,086)**

The accompanying notes form part of these consolidated financial statements.

	31 March 2020 Cents	31 March 2019 Cents
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company		
Basic and diluted loss	(0.07)	(0.29)
Earnings per share for profit attributable to the ordinary equity holders of the company		
Basic and diluted earnings loss	**(0.07)**	**(0.29)**

	31 March 2020 $000	31 March 2019 $000
Net loss after tax for the half year	**(1,499)**	**(6,086)**
Other comprehensive loss		
(Items that will be reclassified to profit or loss)		
Foreign currency translation differences for foreign operations	(18)	(65)
Other comprehensive loss for the half year net of tax	(18)	(65)
Total comprehensive loss for the half year (net of tax)	**(1,517)**	**(6,151)**

	Note	31 March 2020 $000	30 Sep 2019 $000
CURRENT ASSETS			
Cash and cash equivalents		362	727
Trade and other receivables	10	1,718	1,379
TOTAL CURRENT ASSETS		**2,080**	**2,106**
NON-CURRENT ASSETS			
Financial assets		71	71
Property, plant and equipment		1,225	1,445
Deferred tax assets		1,665	1,519
Intangible assets and goodwill		9,238	8,827
TOTAL NON-CURRENT ASSETS		**12,199**	**11,862**
TOTAL ASSETS		**14,279**	**13,968**
CURRENT LIABILITIES			
Trade and other payables		4,389	3,553
Income in advance		5,555	4,702
Borrowings		31	43
Lease liability	9	541	541
TOTAL CURRENT LIABILITIES		**10,516**	**8,839**
NON-CURRENT LIABILITIES			
Deferred tax liabilities		1,665	1,519
Lease liability	9	669	882
Provisions		101	94
TOTAL NON-CURRENT LIABILITIES		**2,435**	**2,495**
TOTAL LIABILITIES		**12,951**	**11,334**
NET ASSETS		**1,328**	**2,634**
EQUITY			
Issued capital	2	7,487	7,441
Reserves		(1,680)	(1,826)
Accumulated losses		(4,479)	(2,981)
TOTAL EQUITY		**1,328**	**2,634**

The accompanying notes form part of these consolidated financial statements

	Issued Capital	Accumulated Losses	Other Reserves	Share Based Reserve	Currency Translation Reserve	Fixed Assets Reserve	Total
	$000	$000	$000	$000	$000	$000	$000
Balance at 1 October 2018	**67,744**	**(46,191)**	**(9,954)**	**909**	**(2,559)**	**(278)**	**9,671**
Loss for the period	-	(7,452)	-	-	-	-	(7,452)
Other comprehensive income							
Foreign currency translation differences for foreign operations	-	-	-	-	(102)	-	(102)
Total Comprehensive loss	**-**	**(7,452)**	**-**	**-**	**(102)**	**-**	**(7,554)**
Transactions with owners in their capacity as owners:							
Shares issued (net of issue costs)	313	-	-	-	-	-	313
Issue of performance rights	-	-	-	204	-	-	204
Issue of share options	-	(9,954)	9,954	-	-	-	-
258F Capital Adjustment	(60,616)	60,616	-	-	-	-	-
Balance at 30 September 2019	**7,441**	**(2,981)**	**-**	**1,113**	**(2,661)**	**(278)**	**2,634**
Balance at 1 October 2019	**7,441**	**(2,981)**	**-**	**1,113**	**(2,661)**	**(278)**	**2,634**
Loss for the half year	-	(1,498)	-	-	-	-	(1,498)
Other comprehensive income							
Foreign currency translation differences for foreign operations	-	-	-	-	(18)	-	(18)
Total Comprehensive loss	**-**	**(1,498)**	**-**	**-**	**(18)**	**-**	**(1,516)**
Transactions with owners in their capacity as owners:							
Shares issued (net of issue costs)	46	-	-	-	-	-	46
Issue of performance rights	-	-	-	164	-	-	164
Issue of share options	-	-	-	-	-	-	-
Balance at 31 March 2020	**7,487**	**(4,479)**	**-**	**1,277**	**(2,679)**	**(278)**	**1,328**

The accompanying notes form part of these consolidated financial statements.

	Note	31 March 2020 $000	30 Sep 2019 $000
Cash flows from operating activities			
Cash receipts from customers		**8,871**	9,147
Cash payments to suppliers and employees		**(8,688)**	(9,521)
Interest and other costs of finance paid		**-**	(17)
Interest received		**2**	-
Income tax paid		**-**	-
Net cash (outflow)/inflow from operating activities	4	**185**	**(391)**
Cash flows from investing activities			
Interest on lease liability		**(31)**	-
Payments for plant and equipment		**(31)**	(108)
Payment for intangible assets		**(303)**	(216)
Net cash outflow from investing activities		**(365)**	**(324)**
Cash flows from financing activities			
Proceeds from issue of shares		**50**	-
Share issue transaction costs		**(4)**	-
Repayment of lease liability		**(242)**	-
Net cash inflow from financing activities		**(196)**	**-**
Net (decrease)/increase in cash held		**(376)**	(715)
Cash at the beginning of the period		**727**	2,059
Effects of exchange rate changes on the balance of cash held in foreign currencies		**11**	6
Cash at the end of the period		**362**	**1,350**

The accompanying notes form part of these consolidated financial statements.

1. Summary of Significant Accounting Policies

(A) Basis of Preparation

The consolidated half-year financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards AASB 134 Interim Financial Reports and the Corporations Act 2001.

The consolidated half-year financial statements do not include all the information required for annual financial statements and should be read in conjunction with the consolidated annual financial statements of the consolidated entity as at and for the period ended 30 September 2019. The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The consolidated half-year financial statements were approved by the directors on 25th May 2020.

(B) Rounding of Amounts

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

(C) 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 half year ended 31 March 2020 the entity recorded a loss for the period of $1.7 million from continuing operations before income tax, a net cash inflow from operating activities of $0.2 million and net working capital deficiency excluding provisions and deferred revenue of $2.9 million.

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

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

1. The Directors have forecast the group to generate positive operating cash flows in the next 12 months through both revenue retention, cost savings and receiving various government COVID related incentives and/or
2. The Directors expect the Group to be successful in securing additional funds through debt or equity issues if the need arises.

(D) Critical Accounting Estimates and Judgements

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.

Additional estimates and judgements applied since the last reporting period include:

Key Estimates — Share Based Payments

The Group in some instances has settled services received through issue of shares or share options. The costs of these transactions are measured by reference to the fair value at the date at which they are granted. Where options are issued, the fair value at grant date is determined using a combination of trinomial and monte carlo option pricing models which require estimated variable inputs. In particular, the expected share price volatility is estimated using the historic volatility (using the expected life of the option), adjusted for any expected changes to future volatility. Information relating to share based payments is set out in note 8. The cost is recognised together with a corresponding increase in equity over the period in which the performance conditions are fulfilled.

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

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

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

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

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

The Director's assessment of probability of achieving the performance conditions was set at 100% for Tranche 1 with non-market conditions.

2. Issued Capital

	31 March 2020 #	30 Sept 2019 #	31 March 2020 $000	30 Sept 2019 $000
Fully paid ordinary shares	**2,121,022,448**	**2,116,392,421**	**7,487**	**7,441**
Ordinary shares				
At the beginning of the reporting half year	2,116,392,421	2,083,294,903	7,440	67,744
Shares issued during the period:				
Rights issue	-	-	-	-
Share issue costs	-	-	(3)	(7)
Employee and NED share issue[1]	4,630,027	33,097,518	50	319
258F Capital Adjustment				(60,616)
At Reporting date	**2,121,022,448**	**2,116,392,421**	**7,487**	**7,441**

[1]Issued were issued in Lieu of Non executor Director (NED) Fees

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.

3. Reserves

(a) 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

3. Reserves (continued)

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 period.

(b) Employee Performance Rights

The Company issued 45,622,970 Performance Rights during the reporting period to a director and employees pursuant to the Aspermont Performance Rights Plan ("The Plan").

No Performance Rights vested or were exercised during the period, with 750,000 rights expired.

At 31 March 2020, the Company had the following unlisted Performance Rights in issue:

	Rights Outstanding at Start of the Year (number)	Rights Granted in Year (number)	Award Date	Share Price at award date $	Fair Value per Right at award date $	Vesting Date	Exercised / Expired (number)	Rights Outstanding at End of the Year (number)
Managing Director	13,500,000 13,500,000 10,500,000 10,500,000 - -	- - - - 10,500,000 10,500,000	01-Feb-18 01-Feb-18 24-May-19 24-May-19 05-Feb-20 05-Feb-20	$0.010 $0.010 $0.011 $0.011 $0.009 $0.009	$0.007096 $0.009000 $0.009308 $0.011000 $0.078000 $0.090000	01-Feb-2021 01-Feb-2021 25-May-2022 25-May-2022 05-Feb-2023 05-Feb-2023	- - - - - -	13,500,000 13,500,000 10,500,000 10,500,000 10,500,000 10,500,000
KMPs	9,000,000 9,000,000 10,500,000 10,500,000 - -	- - - - 10,500,000 10,500,000	01-Feb-18 01-Feb-18 24-May-19 24-May-19 05-Feb-20 05-Feb-20	$0.010 $0.010 $0.011 $0.011 $0.009 $0.009	$0.007096 $0.009000 $0.009308 $0.011000 $0.078000 $0.090000	01-Feb-2021 01-Feb-2021 25-May-2022 25-May-2022 05-Feb-2023 05-Feb-2023	- - - - - -	9,000,000 9,000,000 10,500,000 10,500,000 10,500,000 10,500,000
Employees (1)	2,500,000 -	- 3,622,970	30-Nov-18 15-Nov-19		$0.010300 $0.010351	30-Nov 2018, 2019, 2020 15-Nov 2019, 2020, 2021	750,000 -	1,750,000 3,622,970
Total Performance Rights in Issue	**89,500,000**	**45,622,970**					**750,000**	**134,372,970**

(1) The grant of employee performance rights are subject to certain milestone conditions: A three-year period, 33.3% of the total performance rights will vest per annum with the first tranche eligible for vest upon issue of the Performance Rights. Any Rights not vested on the measurement date lapse.

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

Performance Rights for the Managing Director and KMPs have the following performance conditions:

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

3. Reserves (continued)

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

Tranche 1 Performance Rights are valued by determining the number of equity securities that would be expected to vest, based on an estimate of the likely success or failure of each of the vesting conditions for Tranche 1 with non-Market conditions. The Director's assessment of probability of achieving the performance conditions was set at 100% for Tranche 1 with non-market conditions.

Total Tranche 2 Performance Rights are valued based on the fair value at grant date as independently assessed using a model that combines Trinomial and Monte Carlo methodologies and utilises the correlations, betas and volatilities of Aspermont, the S&P/ASX 300 Index and its constituents.

The model inputs for the rights granted included:

- Rights are granted at no consideration
- Vesting Period: three years
- Expiry date: seven years from issue
- Expected future price volatility of shares: 100%
- Risk free rate: 1.00%
- Dividend yield: n/a

The value of Performance Rights as determined are charged to the profit and loss account by amortising the cost over the vesting life of each grant. A charge of $176,287 (2019: $75,748) was expensed in the period.

4. Net cash (used in)/from operating activities

	31 Mar 2020 $000	31 Mar 2019 $000
Cash flows from operating activities		
Cash receipts from customers	8,871	9,147
Normalised cash outflows to suppliers and employees	(8,178)	(8,324)
Net normalised cash inflow/(outflow)	**693**	**823**
Exceptional/investment cash outflows to suppliers and employees	(510)	(1,214)
Interest received	2	-
Net cash (used in)/ from operating activities	**185**	**(391)**

Exceptional cash outflows to suppliers and employees are exceptional payments made during the Half year ended 31 March 2020. These comprise of business restructuring costs and investment expenditure for starting new product lines.

5. Segment information

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

Segment Reporting:

	31 March 2020 $000	31 March 2019 $000
Revenue		
Media	3,739	3,329
Subscriptions	3,428	3,166
Events	944	1,934
Total segment revenue	**8,111**	**8,429**
Revenue by Geography		
Australia/ Asia	4,210	4,849
Europe	1,676	1,070
America	2,208	2,386
Other	17	124
Total revenue	**8,111**	**8,429**
Segment result	**2,846**	**3,402**
Unallocated items:		
Corporate overheads	(3,692)	(4,177)
Impairment of loan receivable	-	(4,944)
Depreciation	(759)	(276)
Other income	2	6
Finance costs	(42)	(28)
Profit for period before income tax	**(1,645)**	**(6,017)**

	31 March 2020 $000	31 March 2019 $000
Segment assets	**12,252**	**10,675**
Unallocated assets:		
Cash	362	1,350
Deferred tax asset	1,665	2,279
Total assets	**14,279**	**14,304**
Liabilities	**11,255**	**8,214**
Unallocated liabilities:		
Deferred tax liabilities	1,665	2,279
Borrowings	31	23
Total liabilities	**12,951**	**10,516**

5. Segment information (continued)

Description of segments:

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

The segments derive revenue from the following products and services:

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

Segment revenue and expenses:

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

6. Subsequent Events

The Directors are considering a rights issue to further strengthen the balance sheet and working capital to deal with the anticipated impact of COVID-19.

No further events have occurred subsequent to the end of the half year.

7. Contingent Liabilities

We are not aware of any contingent liabilities as at 31 March 2020 or to the date of this report.

8. Related Party

In this reporting period, share based payments were made for various services to related parties:

	2020 $	2019 $
Shares issued in Lieu of Directors fees[1]	50,000	95,000
Performance Rights Issued to Managing Director and KMP[2]	168,787	64,110
	218,787	159,110

1 Issued to Mr. Geoff Donohue in lieu of accrued directors fees for the period from 1 October 2019 to 31 March 2020 amounting to $50,000 (2019: $95,000). 4,630,027 (2019: 9,317,060) shares were issued at $0.01 (2018: $0.01). The 2019 comparable numbers were based on shares issued to Mr. Geoff Donohue as well as to Mr. Christian West and Mr. Clayton Witter.

2 21 million rights were issued to Mr. Alex Kent in relation to the Employee Rights Plan. The basis and valuation are detailed in note 3(b).

8. Related Party (continued)

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

Transactions between key management personnel are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The Group leases its principal office facility from Ileveter Pty Ltd, a company associated with a director, Mr A.L Kent. The rent paid was at market rates at the time of lease inception. The lease agreement has a term of five years expiring 30 October 2022.

	2019 $000	2018 $000
Rental expense for principal offices	244	233

9. Lease commitments

(a) Operating Lease

	2020 $000	2019 $000
Operating lease commitments		
Operating leases contracted for but not capitalised in the financial statements:		
Not later than 12 months	82	213
Between 12 months and 5 years	-	-
	82	213
AASB 16 Adjustments		
Operating leases contracted for capitalised in the financial statements:		
Not later than 12 months	541	541
Between 12 months and 5 years	669	882
	1,210	1,423

(b) Finance Lease

The Group leases an office building for its office space. The Group has reclassified the lease as a finance lease. The lease typically has a term of five years and adjusted for annual change in lease payment of up to 5% based on changes in price indices.

10. Trade and other receivables

	2020 $000	2019 $000
Current		
Trade receivables	1,022	929
Allowance for expected credit loss	(107)	(105)
	915	824
Other receivables	801	509
Related party receivables	2	46
Total current trade and other receivables	**1,718**	**1,379**
Non-current		
Loan – Nomad Limited Partnership	1,911	1,911
Loan – Impairment	(1,911)	(1,911)
Total non-current trade and other receivables	**-**	**-**

The consolidated entity has recognized a loss of $17,828 (2019: gain of $61,000) in profit or loss in respect of the expected credit losses for the period ended 31 March 2020.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

Consolidated 31 March 2020	Expected ECL %	**Carrying amount $**	**Allowance for ECL $**
Not overdue	9.35 %%	972,299	90,905
0-30 days overdue	15.41 %%	37,581	5,790
30-60 days overdue	0 %%	-	-
60+ days overdue	83.15 %%	11,801	9,812
		1,021,681	106,507

Consolidated 30 September 2019	Expected ECL %	**Carrying amount $**	**Allowance for ECL $**
Not overdue	5.86%%	758,107	44,439
0-30 days overdue	8.35%%	51,653	4,315
30-60 days overdue	31.84%%	72,176	22,978
60+ days overdue	56.04%%	59,924	33,583
		941,860	105,315

In the directors' opinion:

1. the financial statements and notes set out on pages 16 to 29 are in accordance with the *Corporations Act 2001,* including:

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

   b) giving a true and fair view of the consolidated entity's financial position as at 31 March 2020 and of its performance for the financial half year ended on that date; and

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

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

A. Kent
Director

Perth
25 May 2020

ELDERTON

AUDIT PTY LTD

Independent Auditor's Review Report

To the members of Aspermont Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Aspermont Limited (“the Company”) and its subsidiaries (“the Group”), which comprises the consolidated statement of financial position as at 31 March 2020, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company’s financial position as at 31 March 2020 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Aspermont Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Aspermont Limited is not in accordance with the *Corporations Act 2001* including:

(i) giving a true and fair view of the Aspermont Limited's financial position as at 31 March 2020 and of its performance for the half-year ended on that date; and

(ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd

Nicholas Hollens

Nicholas Hollens
Managing Director

25 May 2020
Perth