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# **Aspermont**

**Information for Industry**

ABN: 66 000 375 048

## **ANNUAL REPORT**

For the financial year ended  
30 June 2015

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## CORPORATE DIRECTORY

### Directors

Andrew Leslie Kent  
Charbel Nader  
John Stark  
Lewis George Cross  
Colm O'Brien  
Alex Kent  
Rhoderic Whyte

### Company Secretary

John Detwiler

### Key Management Personnel

Alex Kent – Managing Director  
Matthew Howes – Chief Financial Officer, Group  
Robin Booth – General Manager Publishing  
Ajit Patel – Chief Operating Officer, Group  
Chris Maybury - Executive Chairman Beacon Events

### Registered Office

613-619 Wellington St  
Perth WA 6000  
Telephone: (08) 6263 9100  
Facsimile: (08) 6263 9148

### Postal Address

PO Box 78  
Leederville WA 6902

### Solicitors

Williams and Hughes  
Level 1, 25 Richardson Street  
West Perth WA 6005

### Auditors

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

### Share Registry

Advanced Share Registry Services  
110 Stirling Hwy  
Nedlands WA 6009

### Bankers

ANZ Banking Group Limited  
7/77 St Georges Terrace  
Perth WA 6000

Australian Stock Exchange Limited  
ASX Code : ASP

### Website

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

Key points for the financial year:

- The group has continued to progress with its transformation, particularly in publishing with centralisation of IT, Production and Marketing including the centralisation of the head office function in London;
- As part of this transformation we are undertaking a strategic restructuring of our overall cost base and core product offering to deliver more sustainable outcomes to shareholders in the future;
- The annual results include a prudent \$8.5 million intangible impairment charge related to the goodwill recorded for the print and events businesses;
- The Events division has now under performed for three years against the prior years and budgeted plans. We anticipate appointing a new CEO for the division, and resolving the minority shareholders issues in this business. Overall decrease in revenue year on year was 17% (\$6.2m), this decrease is primarily attributable to the Events and Print publishing divisions;
- Digital revenues have conversely grown 11% (\$0.54m) over the period;
- EBITDA continues to remain under pressure, due to the revenue decline and the fixed cost base in the Events and Publishing business units;
- We are nearing completion of the of the restructure of the Publishing business;
- Year on year Media EBITDA declined from a loss of \$0.8 million to a loss of \$2.9 million. This includes approximately \$350k of one-time restructuring costs related to the reduction of our workforce.

Our media results are illustrated in the following table and further outlined in note 23 of the financial statements.

Comparative year on year results for the media business for the year ended 30 June 2015:

	2015		2014	
	Revenue \$'000	Segment Result \$'000	Revenue \$'000	Segment Result \$'000
Print	11,718	1,972	15,541	3,601
Digital	5,536	(299)	4,992	645
Conferencing	13,223	542	16,026	322
<b>Total Segment</b>	<b>30,477</b>	<b>2,215</b>	<b>36,559</b>	<b>4,568</b>

Outlook for the upcoming 2015/2016 year:

We expect continuity in existing market conditions for the upcoming year, so whilst we are anticipating relatively flat revenue growth, a return to profit is anticipated through the reshaping of the business. As the current cost cutting and rationalisation phase yields results, we will increasingly be able to focus on our iconic industry brands and on the development of higher value digital and recurring subscription revenue streams.

The complete overhaul of our legacy systems (codenamed Project Horizon), is scheduled to conclude in December 2015. To date 3 of our 10 key brands have fully migrated over to the full

platform with a further 3 migrations coming through this month. We have now successfully moved the entire subscriptions portfolio onto the new platform.

The Company has new management in place at every regional location - we are confident they are capable to deliver on the business plan.

UK Publishing, having implemented its new process and technology framework last year, is well placed to build on its performance from last year and generate the largest growth for the Group. It has provided a blueprint for the roll out to other areas.

The Australian publishing recovery is underway and recent cost restructuring in that business unit will show markedly improved margins over the current year. Australia's technology development path is following the successful UK template over the current year.

After a number of years of underperformance, our Events business looks forward to the introduction of a new CEO and management team and a wholesale transformation of its back office functions similar to what has been undertaken and achieved in our publishing divisions over the last twelve months. The new CEO will also have significant focus on developing new event revenue streams. The ability to transform our Events business remains subject to difficulties created by the involvement of minority shareholders in the management of the business.

At the executive level we have been able to achieve significant cuts in headcount and cost by streamlining and by centralising Executive management of the business in the UK.

The development of new automated marketing solutions – enabled by our new technology platform – is achieving improved client acquisition, engagement and retention performance in our subscription processes. This year the UK business generated over 30% of its new subscriptions revenue through its marketing systems and turned an otherwise perennial cost centre into a significant profit driver. We expect to introduce the next wave of enhancement and innovation driving performance this year.

Strong growth in subscriptions income is central to the company's mid-term strategy of delivering more stable revenue growth. Subscription revenues are key drivers of our premium advertising and events revenue streams.

Based on our plans we expect print advertising to represent no more than 25% of overall revenues, further mitigating our exposure to that segment of the industry.

Rationalisation and consolidation of support services including IT, marketing, and production, will drive greater efficiency in the delivery of our products.

Yours sincerely,

Alexander Kent  
Managing Director

# ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES 30 JUNE 2015

## Directors' Report

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Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Aspermont Limited and the entities it controlled at the end of, or during, the year ended 30 June 2015.

### Directors

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

Andrew L. Kent  
C Nader  
J Stark  
L.G Cross  
C O'Brien  
Alex Kent  
R Whyte (appointed 24 September 2014)

### Principal activities

The Group's principal activities during the year were to develop and grow its various industry-leading mastheads through a combination of print, online and conference media channels.

### Operating results

The consolidated operating loss after tax was \$9.9 million (2014: loss \$0.4 million).

### Dividends

No dividend has been declared for the year (2014: no dividend).

### Review of operations

The 2015 Financial Year has been another difficult one for our business. An overall 17% decline in revenue year on year was primarily attributable to the Events and Print publishing divisions. This represented the second consecutive year on year revenue drop for Aspermont.

The impact of this as reported has been a reduction year on year in our Media earnings before interest, taxes, depreciation and amortisation ("Media EBITDA"<sup>1</sup>) of \$2.0 million following on from a decrease of \$3.6 million in the prior year. This is primarily the result of a high degree of fixed cost in the Beacon Events and Publishing businesses combined with the continuing decline of revenues.

The Group has continued to progress with its transformation, particularly in Publishing with the centralisation of IT, Production and some aspects of Marketing including the centralisation of the head office function in London. As part of this transformation we are undertaking a strategic review of our overall cost base and core product offering to deliver more sustainable outcomes to shareholders in the future.

The Events division has now underperformed for three years against the previous years and budgeted plans. We anticipate appointing a new CEO for the division, and resolving the minority shareholders issues in this business. Once this occurs we anticipate a recovery in the performance of the business.

The annual results include a prudent \$8.5 million intangible impairment charge related to the goodwill recorded for the print and events businesses.

1. Media EBITDA before share option expenses is outlined and reconciled to profit from continuing operations before income tax expense in section B of the remuneration report.

A rights issue and private placement was completed during the year with gross proceeds to the Company of \$2.69 million from the issue of 259,458,826 ordinary shares. In addition we completed a debt to equity conversion which resulted in the issue of 226,748,700 shares amounting to \$2.27 million. At the end of this year we completed the issue of \$1.48 million from the issue of convertible debentures. The goal of these fund raisings was to increase working capital and further reduce debt.

The investment segment has seen a net loss of \$0.2 million in the current year versus a loss of \$1.2 million in the previous year. This loss largely stemmed from the sale or impairment of our remaining investments.

We have further reduced our primary bank debt year on year from \$3.0 million to \$2.3 million in line with a planned debt reduction program implemented three years ago. This debt reduction will continue through the upcoming years as we currently have principal payments of \$0.7 million scheduled in the upcoming fiscal year.

For the medium term, the underlying Mining industry sector, which represents 70% of Group revenue remains subdued, undoubtedly the junior end of the market will benefit from a round of consolidation, and a more robust criteria for access to capital. With 55-60% of our underlying revenue now booked in either US dollars or UK Sterling, the Group will benefit from a weakening Australian dollar, or a stabilisation at the current rate.

#### Going Concern Disclosure

As at 30 June 2015, the Group had a net current liability position of \$13.633 million and for the year then ended had cash outflows of \$2.993 million. The Group had cash on hand of \$1.645 million. At the date of this report the consolidated entity is in the midst of further capital raising activities to add further working capital to the balance sheet. The consolidated entity is targeting a total amount of approximately \$0.8 million that will likely be in the form of convertible debentures and is continuing to progress cost cutting initiatives.

The funds raised and actions taken will reduce the consolidated entity's debt exposure for the incoming financial year and provide working capital to accelerate the repositioning of the business.

Subsequent to year end convertible debentures were issued in respect to the \$1.48 million advanced as at 30 June 2015 and the director loan of \$2.908 million has been extended to 31 December 2015. The consolidated entity's bank debt with the Australian and New Zealand Banking Corporation ("ANZ") of \$2.285 million is secured by registered company charges and fixed and floating charges over the assets of the consolidated entity. The facility is subject to annual review with the next review date on 30 September 2015 (refer to Note 14 for details on borrowings).

At the current time the consolidated entity 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 and the minimum EBITDA and revenue on a year to date basis. As a consequence the debt has been classified as current.

The consolidated entity is in regular communications with ANZ to restructure the facility. The bank is supportive of the consolidated entity's capital raising activities. There are no matters existing to indicate that the consolidated entity will be unable to successfully restructure the facility.

Should the consolidated entity not raise the necessary funding through debt or equity, successfully restructure the ANZ debt, receive continued support from its directors and achieve positive operating cashflows from cost reduction initiatives, there would be material uncertainty that casts significant doubt as to whether the consolidated entity would be able to meet its debts as and when they fall due and thus continue as a going concern.

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

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the consolidated entity be unable to continue as a going concern.

#### Significant changes in the state of affairs

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

#### Matters subsequent to the end of the financial year

As noted in the preceding review of operations, the Company is in the midst of further capital raising activities.

#### Likely developments and expected results of operations

The recent slowdown in the mining sector, particularly in Australia, means the upcoming year is expected to be one of consolidation as we reduce some expenses and reduce or eliminate marginal elements of the business. Further significant investments in the upcoming year are expected to be limited to the digital and events business.

#### 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.

Information on directors

A.L Kent, AAI CD Chairman and executive director, Age 68

*Experience and expertise*

Mr Kent is an experienced business manager and corporate advisor with over 30 years of experience in international equities and media. Mr Kent was the CEO of Aspermont Limited from 2000 to 2005 and holds considerable knowledge of its products and the market landscape. Mr Kent joined the Board in 1998.

*Other current directorships*

Mr Kent holds directorships in Magyar Mining Ltd (since 2008). Mr Kent is a member of the Australian Institute of Company Directors.

*Former directorships in last 3 years*

Water Resources Group Ltd (resigned 2012)  
Excalibur Mining Ltd (resigned 2012)  
New Guinea Energy Ltd (resigned 2014)

*Special responsibilities*

Chairman of the Board

*Interest in shares and options*

399,924,135 ordinary shares in Aspermont Limited  
16,000,000 unlisted options on ordinary shares

C Nader B.Com, M App Fin, CA, Vice-Chairman, Non-executive director, Age 46

*Experience and expertise*

Mr Nader has extensive experience in corporate finance and strategic advisory roles in various industries and is presently Chairman of MMP Holdings, Victoria's largest multi-media business, combining local magazines, newspapers and digital assets. With 16 publications delivered to 925,000 homes across Melbourne and Geelong every week and a stable of digital assets including reviewproperty.com.au. Mr Nader joined the Board in January 2010.

*Other current directorships*

None

*Special responsibilities*

Chairman of Audit & Risk Committee  
Chairman of Remuneration Committee  
Lead independent director

*Former directorships in last 3 years*

None

*Interest in shares and options*

7,675,100 ordinary shares in Aspermont Limited  
1,000,000 unlisted options on ordinary shares

J Stark, AAI CD Non-executive director, Age 69

*Experience and expertise*

Mr Stark is an experienced business manager with experience and interests across various listed and unlisted companies. Mr Stark has been a member of the Board since 2000.

*Other current directorships*

None

*Former directorships in last 3 years*

None

*Special responsibilities*

Member of Remuneration Committee

Member of Audit & Risk Committee

*Interest in shares and options*

77,387,000 ordinary shares in Aspermont Limited

L.G Cross, B.Com, CPA, FAI CD Non-executive director, Age 67

*Experience and expertise*

Mr Cross was the former principal of the accounting firm CrossCorp Accounting from 1979 to 2009. Mr Cross has been a member of the Board since 2000.

*Other current directorships*

Executive Chairman of White Canyon Uranium Ltd (since 2007)

Non-Executive Chairman of Golden State Resources Ltd (since 2006)

*Special responsibilities*

Member of Audit & Risk Committee

Member of Remuneration Committee

*Former directorships in last 3 years*

Non-Executive Chairman of Polaris Metals NL (resigned 2010)

*Interest in shares and options*

3,400,000 ordinary shares in Aspermont Limited

C O'Brien, BCL (Hons), AAI CD Executive director, Age 43

*Experience and expertise*

Mr O'Brien has in-depth management consulting and banking experience through previous roles. At Aspermont he held the position of Group CEO from October 2005 until March 2015 and has a detailed knowledge of the products, strategy and media landscape. Mr O'Brien joined the Board in January 2010.

*Other current directorships*

Magyar Mining Plc

*Special responsibilities*

Member of Remuneration Committee

*Former directorships in last 3 years*

None

*Interest in shares and options*

7,150,834 ordinary shares in Aspermont Limited  
4,000,000 unlisted options on ordinary shares

Alex Kent, Double BA Econ, Bus & Law (Hons) Managing Director, Age 35

*Experience and expertise*

Mr Alex Kent has over 11 years' experience in technology and digital publishing through previously held roles at Microsoft Corp and across the Aspermont Group. Mr Kent has been a member of the board since 2014.

*Other current directorships*

Magyar Mining Ltd

*Special responsibilities*

Managing Director

*Former directorships in last 3 years*

None

*Interest in shares and options*

36,000 ordinary shares

R Whyte, B.Ec., BA Non-executive Director, Age 70 (appointed 24 September 2014)

*Experience and expertise*

Mr Whyte has had extensive involvement in a wide range of mining and natural resource companies, emerging markets and the media sector over four decades, Mr Whyte was a founding shareholder in Aspermont Limited.

*Other current directorships*

Executive Chairman of EastWest Timber A.S.  
Non-executive director of Valgold Resources Ltd.

*Special responsibilities*

None

*Former directorships in last 3 years*

None

*Interest in shares and options*

9,306,428 ordinary shares in Aspermont Limited

The above directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company secretary

The Company Secretary is Mr John R. Detwiler, BSc, CPA. Mr Detwiler was appointed to the position of Company Secretary and Chief Financial Officer in June 2010. In January 2015, Mr Detwiler stepped down as Chief Financial Officer and is presently part-time. Mr Detwiler has extensive financial management and corporate governance experience including four years as Chief Financial Officer of NASDAQ listed Credence Systems Corporation and ten years with international accounting firm Price Waterhouse.

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES 30 JUNE 2015  
Directors' Report

Meetings of directors

The number of meetings of the Company's Board of Directors and of each Board committee held during the year ended 30 June 2015, and the number of meetings attended by each director were:

	Full meetings of Directors		Meetings of committees			
	A	B	Audit & Risk		Remuneration	
	A	B	A	B	A	B
A.L Kent	11	11	**	**	**	**
C Nader	11	11	2	2	0	0
J Stark	10	11	2	2	0	0
L.G Cross	10	11	2	2	0	0
C O'Brien	11	11	**	**	0	0
R Whyte	8	9	**	**	**	**
A Kent	11	11	**	**	**	**

A Number of meetings attended

B Number of meetings held during the time the director held office or was a member of the committee during the year

\*\* Not a member of the relevant committee

Remuneration report (Audited)

The information provided in this remuneration report has been audited as required by section 308 (3C) of the *Corporations Act 2001*.

The remuneration report is set out under the following main headings:

- A Principles used to determine the nature and amount of remuneration
- B Details of remuneration
- C Service agreements
- D Share-based compensation
- E-H Additional information

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

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

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

In consultation with external remuneration consultants, the Group has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the organisation.

Alignment to shareholders' interests:

- has economic profit as a core component of plan design;

- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant return on assets as well as focusing the executive on key non-financial drivers of value;
- attracts and retains high calibre executives.

Alignment to program participants' interests:

- rewards capability and experience;
- reflects competitive reward for contribution to growth in shareholder wealth;
- provides a clear structure for earning rewards;
- provides a recognition for contribution.

The framework provides a mix of fixed and variable pay, and a blend of short and long-term incentives. As executives gain seniority within the Group, the balance of this mix shifts to a higher proportion of "at risk" rewards.

The Board has established a Remuneration Committee which provides advice on remuneration and incentive policies and practices, and specific recommendations on remuneration packages and other terms of employment for executive directors, other senior executives and non-executive directors.

#### *Non-executive directors*

During the financial year the Group's remuneration committee did not meet nor engage the services of a remuneration consultant.

#### *Directors' fees*

The base remuneration was reviewed in the previous year and with effect from 1 July 2015 the directors' fees are (inclusive of committee fees):

	From 1 July 2015
<i>Base Fees</i>	
Executive Chairman	66,000
Non-executive Vice Chairman	33,000
Non-executive directors	15,000

#### *Executive pay*

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

#### *Base Pay*

This is structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. External remuneration consultants provide analysis and advice to ensure base pay is set to reflect the market for a comparable role.

Base pay for executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion. There was no review of executive pay in the 2014 and 2015 financial years.

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

#### *Benefits*

Executives receive benefits including health insurance, car parking and allowance and financial planning services.

*Superannuation*

Executives are paid the statutory contribution of 9.50%. Executives may elect to sacrifice base pay into superannuation at their discretion.

Short-term incentives (STI)

The STI annual payment is reviewed annually against a combination of earnings before interest, taxes, depreciation and amortisation ("EBITDA") profit targets, strategic and operational objectives. Each executive STI is tailored to the achievement of objectives under that executive's direct sphere of influence. The use of profit targets ensures variable reward is only available when value has been created for shareholders and when profit is consistent with the business plan. The annual bonus payments are approved by the Remuneration Committee.

The Group currently does not have a policy to limit "at risk" remuneration for executives.

Long-term incentives

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

B) Details of remuneration

*Amounts of remuneration*

Details of the remuneration of the directors and key management personnel of the Group (as defined in AASB 124 *Related Party Disclosures*) of Aspermont Limited and the Aspermont Limited Group are set out in the following tables.

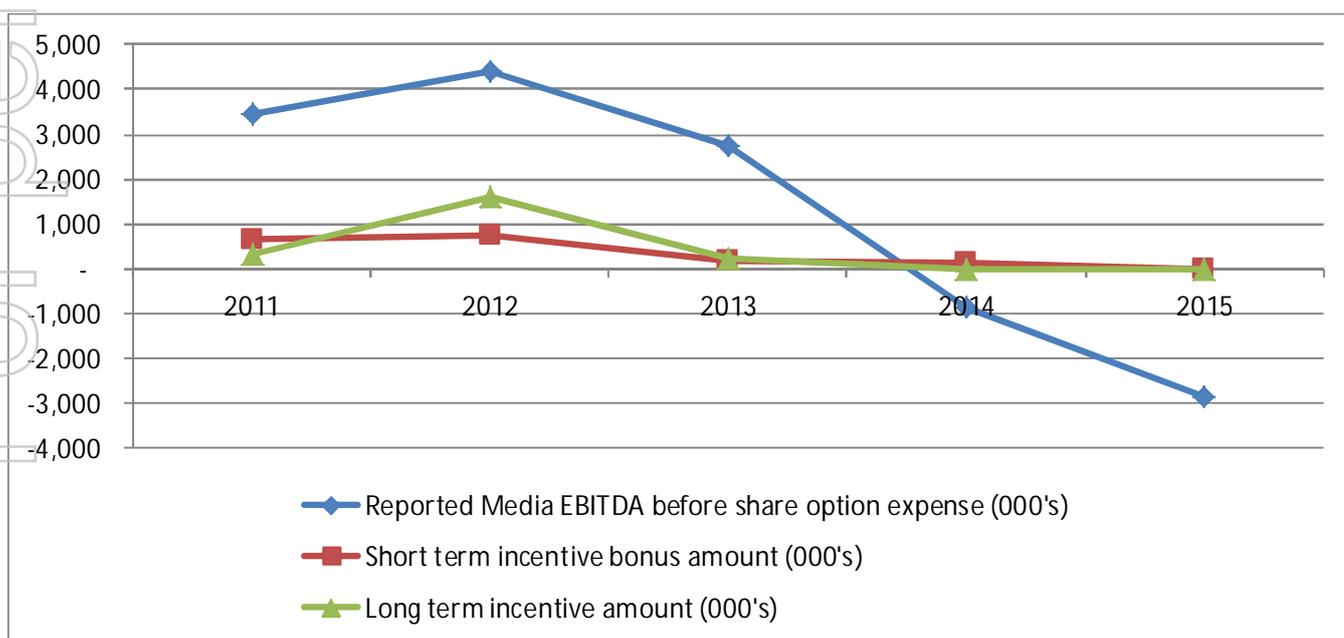
The key management personnel of the Group are the following:

- Andrew Leslie Kent – Chairman and Executive Director
- Charbel Nader – Vice Chairman and Non-Executive Director
- Alex Kent – Managing Director
- John Stark – Non-Executive Director
- Lewis George Cross – Non-Executive Director
- Rhoderic Charles Whyte – Non-Executive Director (appointed 24 September 2014)
- Colm O'Brien – Executive Director
- Chris Maybury – Chairman and Executive Director, Beacon Events
- John Detwiler – Part-time Company Secretary
- Ajit Patel – Chief Operating Officer, Group
- Matthew Howes – Chief Financial Officer (appointed 13 January 2015)
- Robin Booth – General Manager Publishing (appointed 14 April 2014)
- Trish Seeney – General Manager, Australia (resigned 30 November 2015)
- Mark Davies – Group Strategy and Consulting Manager, Australia (resigned 30 November 2015)
- Daniel Kirwin – Executive Director Beacon Events (resigned 17 June 2015)

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

	2015	2014	2013	2012	2011
Profit attributable to owners of the company	(10,557,709)	(1,117,144)	2,509,216	(258,393)	163,010
Dividends paid	-	-	-	-	-
Share price at 30 June	\$0.01	\$0.04	\$0.07	\$0.11	\$0.08
Return on capital employed	(132.6%)	(11.0%)	23.3%	(1.7%)	1.1%

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



ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES 30 JUNE 2015  
 Directors' Report

The Group has historically focused its performance measurement on the Media business earnings before interest, taxes, depreciation and amortisation and share option expense ("Media EBITDA") as this best reflects the underlying cash generating performance of the business. The reconciliation of statutory earnings to Media EBITDA is as follows:

	Consolidated	
	2015	2014
	\$000	\$000
Profit from continuing operations before income tax expense	(10,886)	(1,342)
<u>Add back:</u>		
Interest	860	1,122
Depreciation and amortisation	880	911
Impairment or gain loss of investments	8,646	1,285
Share of net profit in associates	-	117
Operating expense for investment activities	12	12
<u>Subtract:</u>		
Re-estimation of Beacon put option liability	(1,339)	(2,533)
Other income	(279)	(122)
Net profit attributable non-controlling interest (excluding preferred dividend)	(754)	(292)
Media EBITDA before share option expense	(2,860)	(842)

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES 30 JUNE 2015  
Directors' Report

Key management personnel of the Group and other executives of the Company and the Group:

2015 Name	Short-term employee benefits		Share based payments	Long-term employee benefits	Post employment benefits	Total
	Cash salary or fees	Bonus	Options	Long service leave	Super-annuation	
<i>Executive directors</i>						
A.L Kent ( <i>Chairman</i> )	97,170	-	-	-	9,231	106,401
C O'Brien <sup>(4)</sup>	282,288	-	28,573	-	26,591	343,344
A Kent <sup>(1) (3)</sup>	230,507	-	-	-	-	230,507
<i>Sub-total</i>	<b>609,965</b>	<b>-</b>	<b>28,573</b>	<b>-</b>	<b>35,822</b>	<b>680,252</b>
<i>Non executive directors</i>						
J Stark	19,054	-	-	-	2,138	21,192
L.G Cross	21,863	-	-	-	2,077	23,940
C Nader	48,512	-	-	-	4,609	53,121
R Whyte	15,852	-	-	-	-	15,852
<i>Sub-total</i>	<b>105,281</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,824</b>	<b>114,105</b>
<i>Other key management personnel</i>						
R Booth <sup>(1)</sup>	198,083	-	-	-	15,847	213,930
M Howes <sup>(1) (3)</sup>	89,208	-	-	-	-	89,208
J Detwiler <sup>(5)</sup>	130,544	-	3,642	-	12,098	146,284
A Patel <sup>(1)</sup>	282,975	-	-	-	28,298	311,273
C Maybury <sup>(2)</sup>	271,850	7,923	-	-	62,425	342,198
<i>Sub-total</i>	<b>972,660</b>	<b>7,923</b>	<b>3,642</b>	<b>-</b>	<b>118,668</b>	<b>1,102,893</b>
<i>Total (Group)</i>	<b>1,687,906</b>	<b>7,923</b>	<b>32,215</b>	<b>-</b>	<b>5,892</b>	<b>1,897,250</b>

1. UK executive remuneration, paid in British Pounds, have been converted to Australian Dollars at the average exchange rate over the twelve months ending 30 June 2015.

2. Hong Kong executive remuneration, paid in HKD, have been converted to Australian Dollars at the average exchange rate over the twelve months ending 30 June 2015.

3. Paid to an entity on behalf of the executive.

4. Non-monetary benefits comprise of vehicle and health insurance allowances.

5. Non-monetary benefits comprise of health insurance allowance.

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES 30 JUNE 2015  
Directors' Report

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

2014 Name	Short-term employee benefits		Share based payments	Long-term employee benefits	Post employment benefits	Total
	Cash salary or fees	Bonus	Options	Long service leave	Super-annuation	
<i>Executive directors</i>						
A.L Kent ( <i>Chairman</i> )	49,400	-	-	3,589	4,570	57,559
C O'Brien	300,808	-	35,429	-	27,750	369,852
D Nizol <sup>(1) (5)</sup>	353,292	146,444	-	-	38,380	538,116
A Kent <sup>(3)</sup>	72,744	-	-	-	-	72,744
<i>Sub-total</i>	<b>776,244</b>	<b>146,444</b>	<b>35,429</b>	<b>-</b>	<b>9,454</b>	<b>1,038,271</b>
<i>Other key management personnel</i>						
J Stark	41,284	-	-	-	3,716	45,000
L G Cross	41,284	-	-	-	3,819	45,103
C Nader	91,473	-	-	-	8,461	99,934
<i>Sub-total</i>	<b>174,041</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,996</b>	<b>190,037</b>
<i>Other key management personnel</i>						
J Detwiler	164,921	-	4,882	-	15,005	184,808
T Seeney	176,413	-	7,477	-	16,188	200,078
M Davies	197,231	-	6,056	-	14,249	235,574
A Patel <sup>(1)</sup>	265,710	13,286	-	-	26,571	305,567
C Maybury <sup>(2) (4)</sup>	293,129	-	-	-	55,568	348,697
D Kirwin <sup>(2) (6)</sup>	123,556	-	121,581	-	63,511	308,648
<i>Sub-total</i>	<b>1,220,960</b>	<b>13,286</b>	<b>139,996</b>	<b>-</b>	<b>14,249</b>	<b>1,583,372</b>
<i>Total (Group)</i>	<b>2,171,245</b>	<b>159,730</b>	<b>175,425</b>	<b>-</b>	<b>23,703</b>	<b>2,811,680</b>

1. UK executive remuneration, paid in British Pounds, have been converted to Australian Dollars at the average exchange rate over the twelve months ending 30 June 2014.
2. Hong Kong executive remuneration, paid in HKD, have been converted to Australian Dollars at the average exchange rate over the twelve months ending 30 June 2014.
3. Appointed as a director on 19 February 2014. Previously he was an unpaid alternate director and part of the key management personnel. Mr Kent was paid \$198,392 during the year of which \$72,744 related to the period when he was a director.
4. Resigned from the Aspermont board on 19 February 2014. Continues as a KMP for Beacon Events from 20 February 2014.
5. Resigned 30 June 2014.
6. Non-monetary benefits comprise of a salary packaged housing allowance.

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES 30 JUNE 2015  
Directors' Report

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

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2015	2014	2015	2014	2015	2014
<i>Executive directors</i>						
A.L. Kent ( <i>Chairman</i> )	100%	100%	-	-	-	-
C. O'Brien	100%	100%	-	-	-	-
D. Nizol	n/a	73%	n/a	27%	n/a	-
A. Kent	100%	100%	-	-	-	-
<i>Non executive directors</i>						
J. Stark	100%	100%	-	-	-	-
L. G. Cross	100%	100%	-	-	-	-
C. Nader	100%	100%	-	-	-	-
<i>Other key management personnel</i>						
R. Booth	100%	n/a	-	n/a	-	n/a
M. Howes	100%	n/a	-	n/a	-	n/a
J. Detwiler	100%	100%	-	-	-	-
T. Seeney	n/a	100%	n/a	-	n/a	-
M. Davies	n/a	100%	n/a	-	n/a	-
A. Patel	100%	96%	-	4%	-	-
C. Maybury	98%	100%	2%	-	-	-
D. Kirwin	n/a	100%	n/a	-	n/a	-

C) Service agreements

On appointment to the Board, all directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of the director.

Remuneration and other terms of employment for the Chief Executive Officer (Group) and other key management personnel are formalised and reviewed by the Remuneration Committee. Each of these agreements provides for the provision of performance-related cash bonuses, other benefits including certain expenses and allowances. Other major provisions of the agreements relating to remuneration are set out below.

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

C. O'Brien *Executive Director*

- Term of agreement – commencing 1 October 2011 and ending 1 October 2016.
- Base compensation, inclusive of salary, superannuation, benefits and certain expenses, for the year ended 30 June 2015 of \$350,000. This amount to be reviewed annually by the remuneration committee.
- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to the base salary for the greater of 12 months or the remaining term of the agreement.

A Kent *Managing Director*

- Base compensation inclusive of salary and superannuation for the year ended 30 June 2015 is GBP 112,000 (AUD \$230,507).
- Drafting of a formal agreement including terms of employment based on the current arrangement is planned for the next dated Remuneration Committee meeting.

J Detwiler *Company Secretary (part-time)*

- Term of agreement – ongoing, commencing 27 May 2010.
- Base compensation includes salary of \$175,000 per annum full-time equivalent, plus superannuation. Benefits include paid parking, and leave loading of 17.5%. This amount to be reviewed annually by the remuneration committee.
- Payment of a benefit on termination by the Company, other than for gross misconduct, equal to 6 months base salary.

A Patel *Chief Operating Officer*

- Term of agreement – ongoing commencing 23 January 2013.
- Base compensation, inclusive of salary, pension contribution, benefits and certain expenses, for the year ending 30 June 2015 of GBP 165,000. (AUD \$311,273). This amount to be reviewed annually by the remuneration committee.
- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to 6 months base salary.

C. Maybury *Executive Director Beacon Events*

- Term of agreement – ongoing, commencing 21 August 2012.
- Base compensation, includes salary of USD \$285,000 (AUD \$342,197) plus pension, benefits and certain expenses from Beacon.

R. Booth *General Manager Publishing*

- Term of agreement – ongoing, commencing 14 April 2014.
- Base compensation, inclusive of salary, pension contribution and insurance benefits for the year ending 30 June 2015 of GBP 113,400 (AUD \$213,929).
- Payment of a benefit on termination by the Company, other than for gross misconduct, equal to 3 months base salary.

M Howes *Chief Financial Officer*

- Employment services provided through an agency.
- Term of agreement – ongoing, commencing 15 January 2015 with a 30 days termination notice period,
- Compensation determined on a time basis at a rate of GBP975 (AUD \$1,839) per day inclusive of travelling time and pro rata for part days.

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES 30 JUNE 2015  
Directors' Report

D) Bonus Payments

Bonuses disclosed in the table for 2015 for C Maybury relate to the financial performance of specific Events produced during the year.

No other bonuses have been approved for performance related to the 2015 fiscal year.

Bonuses disclosed in the table for 2014 for D Nizol relate to the performance of Beacon Events in the 2013 fiscal year and A Patel's bonus is an annual performance bonus for his individual contribution.

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

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

	Balance 1 July 2014	Received as Remuneration	Exercised	Forfeited	Balance 30 June 2015
Directors					
A.L Kent and beneficial interests	16,000,000	-	-	-	16,000,000
C O'Brien and beneficial interests	4,000,000	-	-	-	4,000,000
C Nader and beneficial interests	1,000,000	-	-	-	1,000,000
Executives					
C Maybury and beneficial interests	5,000,000	-	-	-	5,000,000
M Davies and beneficial interests	400,000	-	-	400,000	-
J Detwiler and beneficial interests	250,000	-	-	-	250,000
T Seeney and beneficial interests	250,000	-	-	250,000	-

No other options or rights were exercised or lapsed in Aspermont Limited in 2014 and 2015.

F) Number of shares held by directors and key management personnel

The number of shares in the Company held during the financial year by each director and other key management personnel, including their personally related parties, are set out below. There were no shares issued during the year for the exercise of options.

	Balance 1 July 2014	Disposed	Acquired	Balance 30 June 2015
Directors				
A.L Kent and beneficial interests	116,925,000	3,574,465	286,573,600	399,924,135
J Stark and beneficial interests	29,531,000	-	47,856,000	77,387,000
L.G Cross and beneficial interests	1,700,000	-	1,700,000	3,400,000
C O'Brien and beneficial interests	3,575,417	-	3,575,417	7,150,834
C Nader and beneficial interests	-	-	7,675,100	7,675,100
A Kent	36,000	-	-	36,000
R Whyte (appointed 24 September 2014)	8,000,000	-	1,306,428	9,306,428

No other shares were issued to key management personnel and other executives of the Company and the Group during 2015.

G) Loans from directors related entities

Liabilities to Mr A.L Kent, Mr J Stark and Mr C Nader and entities related to them are set out below. The loans from Mr Stark are unsecured and the loan term expired 30 September 2014. The liabilities are unsecured and subordinate to the secured loans from ANZ.

	Consolidated	
	2015	2014
	\$000	\$000
<b>Andrew L. Kent</b>		
Beginning of year	(2,105)	(1,738)
Loan repayments/ (advances)	(13)	(168)
Loan conversion to ordinary shares	2,191	-
Interest charged (9.5% ; 2014: 9.5%)	(94)	(199)
End of year	(21)	(2,105)
<b>J Stark</b>		
Beginning of year	(2,707)	(2,567)
Loan repayments	181	131
Interest charged (9.5% ; 2014: 9.5%)	(288)	(271)
End of year	(2,814)	(2,707)
<b>C Nader</b>		
Beginning of year	(75)	-
Loan repayments/ (advances)	-	(73)
Loan conversion to ordinary shares	77	-
Interest charged (8.5% ; 2014: 8.5%)	(2)	(2)
End of year	-	(75)
<b>Total End of year</b>	<b>(2,835)</b>	<b>(4,887)</b>

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES 30 JUNE 2015  
Directors' Report

H) Other transactions with directors and key management personnel

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

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

The Group leases its principal office facility from Ileveter Pty Ltd, a company associated with a director, Mr A.L Kent. The rent paid was at market rates at the time of lease inception and amounted to \$547,000 for the current year (2014: \$519,000). The lease agreement has a term of five years expiring 30 September 2017.

Magyar Mining Ltd ("Magyar"), Lahoca Resources Pte Ltd ("Lahoca") and Mekong Mining Limited ("Mekong") are companies associated with Mr A. L. Kent. The consolidated entity has made investments in Magyar, LaHoca and Mekong and those investments have been passed to Nomad Limited Partnership in exchange for an unsecured loan. The consolidated entity has pre-paid certain start-up and exploration expenses on behalf of Lahoca, Mekong and other unrelated projects between 2012 and 2015. These assets were converted into an unsecured loan with Nomad Limited Partnership in 2013. The loan has now been fully impaired at 30 June 2015.

	Consolidated	
	2015	2014
	\$000	\$000
Opening balance	-	375
Expenses paid	123	770
Impairment	(123)	(1,145)
	-	-

The consolidated entity has loaned Magyar \$67,920 (2014: \$67,920). This loan was fully impaired in 2014.

At 30 June 2015 the Company owed \$46,402 (2014: \$51,947) in unpaid Director Fees to current or previous Directors of the Company.

In the past the company's remuneration committee engaged the services of Godfrey Remuneration Group Pty Ltd ("Godfrey") to review board and executive remuneration. No services have been provided to the company by Godfrey subsequent to fiscal 2011.

This is the end of the Audited Remuneration Report.

Shares under option

Unissued ordinary shares of Aspermont Limited under option at the date of this report are as follows:

Date of Issue	Date of Expiry	Exercise Price	Number of Options
31-Oct-12	30-Oct-16	15c	5,000,000
31-Oct-11	30-Oct-15	15c	21,250,000

#### Insurance of officers

During the financial year, Aspermont Limited paid a premium to insure the directors and officers of the Company and its Australian-based controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. Not included are such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

#### Indemnity of auditors

The Company has not, during or since the end of the financial year, given an indemnity or entered into an agreement to indemnify, or paid insurance premiums in respect of the auditors of the Group.

#### Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

#### Non-audit services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The Board of Directors has considered the position and, in accordance with advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor.
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2015	2014
	\$	\$
<u>Non-assurance services</u>		
Tax compliance - BDO UK and HKG	-	7,125
Tax advisory - BDO WA	-	4,018
Other services - BDO WA	-	918
Total non-assurance remuneration	-	12,061

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 32.

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



A. Kent  
Managing Director

Perth  
30 September 2015

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ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES 30 JUNE 2015  
Corporate Governance Report

Corporate Governance

The primary role of the Aspermont Board (the "Board") is the protection and enhancement of long-term shareholder value. The Board is accountable to shareholders for the performance of the Group. It directs and monitors the business and affairs of the Group on behalf of shareholders and is responsible for the Group's overall corporate governance.

The company is committed to a governance framework using the Australian Securities Exchange's (ASX) "Principles of Good Governance and Best Practice Recommendations".

Diversity disclosures regarding the proportion of women in the Aspermont workforce at 30 June 2015:

Directors and Employees	Total	Total	Women
	Men	Women	%
Board	7	-	0.0%
Senior Management	7	1	12.5%
Department Head	16	8	33.3%
Employees	62	64	50.8%
<b>Total</b>	<b>92</b>	<b>73</b>	<b>44.2%</b>

Corporate Governance Principles

The Company has complied with all the best practice recommendations of the ASX Corporate Governance Council for the year ended 30 June 2015 unless otherwise disclosed below (A is Adopted and N/A is Not Adopted).

	Principle	Status	Comment
Principle 1	Lay solid foundations for management and oversight		
1.1	A listed entity should disclose:  (a) the respective roles and responsibilities of its board and management; and  (b) those matters expressly reserved to the board and those delegated to management.	A	The Group has developed a board charter that determines the functions reserved for the Board and those delegated to executive management. The board charter includes executive appointments, strategic direction, monitoring performance, risk management, approval of business plans and budgets and any other matter impacting business direction and shareholder interests.  Executive responsibilities are clearly defined through job descriptions, delegated authority guidelines and monitored through performance appraisals.

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES 30 JUNE 2015  
Corporate Governance Report

Corporate Governance Principles (continued)

	Principle	Status	Comment
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	A	The Group has established a remuneration committee to review and make decisions in relation to director and senior executive appointments.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	N/A	The Group has established written agreements with recently appointed members of the board, however historic relationships are not documented.
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	A	
1.5	(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;  (b) disclose that policy or a summary of it; and  (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:  (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or  (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	N/A	The Group has experienced significant restructuring activity in the last two fiscal years and has not been able to focus on these policies.
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	N/A	The Group has experienced significant restructuring activity in the last two fiscal years and has not been able to focus on these policies.
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	N/A	The Group has experienced significant restructuring activity in the last two fiscal years and has not been able to focus on these policies.

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES 30 JUNE 2015  
Corporate Governance Report

Corporate Governance Principles (continued)

	Principle	Status	Comment
Principle 2	Structure the Board to add value		
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; <u>OR</u></p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	N/A	The Board does not have a nomination committee. The members of the board work together to ensure reasonable diversity and independence.
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	N/A	
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	A	
2.4	A majority of the board of a listed entity should be independent directors.	N/A	The Board comprises seven directors, four of whom are non-executive and two of whom are classified as independent. The Board believes that this is both appropriate and acceptable given the size and structure of the business.
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	N/A	The Chairman is not independent, however the roles of Chairman and Managing Director have been separated and we have a lead independent director for related party matters.
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	N/A	Professional development activities are supported.

Corporate Governance Principles (continued)

	Principle	Status	Comment
Principle 3	Promote ethical and responsible decision making		
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	A	The Board has established and disclosed a policy on corporate social responsibility and an employee code of conduct which is signed by each new employee upon induction.
Principle 4	Safeguard integrity in financial reporting		
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; <u>OR</u>  (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	N/A	The audit committee consists of three members, all of which are non-executive and one of whom is independent.
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	N/A	
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	A	
Principle 5	Make timely and balanced disclosure		
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	A	The Group has adopted a Continuous Disclosure Policy.

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES 30 JUNE 2015  
Corporate Governance Report

Corporate Governance Principles (continued)

	Principle	Status	Comment
Principle 6	Respect the rights of shareholders		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	A	
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	A	
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	N/A	
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	A	
Principle 7	Recognise and manage risk		
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; <u>OR</u> (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	N/A	The Board has established an Audit and Risk Committee to monitor and review on behalf of the Board the process of risk management which the Group utilises.
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	N/A	The Audit and Risk Committee oversees the Group's risk profile and approves risk management strategy and policies, internal compliance and non-financial internal controls. The Audit and Risk Committee will report to the Board on this system and processes and make recommendations as necessary.
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; <u>OR</u> (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	N/A	
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	N/A	

Corporate Governance Principles (continued)

	Principle	Status	Comment
Principle 8	Remunerate fairly and responsibly		
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; <u>OR</u></p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	N/A	The remuneration committee consists of four directors, three of which are non-executive and one of which is independent.
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	A	
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	N/A	

DECLARATION OF INDEPENDENCE BY IAN SKELTON TO THE DIRECTORS OF ASPERMONT LIMITED

As lead auditor of Aspermont Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

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

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



Ian Skelton  
Director

BDO Audit (WA) Pty Ltd  
Perth, 30 September 2015

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ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES  
 Consolidated Income Statement for the year ended 30 June 2015

	Note	Consolidated	
		2015 \$000	2014 \$000
Revenue from continuing operations	4	30,258	36,455
Cost of sales	5	(15,351)	(17,583)
Gross profit		14,907	18,872
Distribution expenses		(1,225)	(1,435)
Marketing expenses		(3,255)	(3,771)
Occupancy expenses		(1,888)	(1,928)
Corporate and administration		(7,933)	(8,162)
Finance costs		(860)	(1,122)
Other expenses		(3,604)	(5,149)
		(18,765)	(21,567)
		(3,858)	(2,695)
Change in fair value of investments		(72)	28
Re-estimation of Beacon put option	5	1,339	2,533
Other income	4	279	122
Impairment of loan receivable	5	(118)	(1,213)
Impairment of intangible assets	11	(8,456)	-
Impairment of investment in associates	9	-	(117)
Profit/(loss) from continuing operations before income tax expense		(10,886)	(1,342)
Income tax benefit/(expense) relating to continuing operations	6	1,082	925
Profit/(loss) for the year from continuing operations		(9,804)	(417)
Profit/(loss) attributable to:			
Net profit/(loss) attributable to non-controlling interest		754	699
Net profit/(loss) attributable to equity holders of the parent entity		(10,558)	(1,116)
Basic and diluted earnings/(loss) (cents per share)	24	(1.95)	(0.47)

The accompanying notes form part of these consolidated financial statements.

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES  
 Consolidated Statement of Comprehensive Income for the year ended 30 June  
 2015

	Consolidated	
	2015	2014
Note	\$000	\$000
Profit/(loss) after tax for the year	(9,804)	(417)
Other comprehensive income/(loss) <i>(Items that will be reclassified to profit or loss)</i>		
Foreign currency translation differences for foreign operations <i>(Items that will not be reclassified to profit or loss)</i>	2,707	1,349
Net change in fair value of equity instruments measured at fair value through other comprehensive income	(2)	103
Income tax benefit/(expense) relating to other comprehensive income	1	(138)
Other comprehensive income/ (loss) for the period net of tax	2,706	1,314
Total comprehensive income/(loss) for the year (net of tax)	(7,098)	897
Total comprehensive income/(loss) for the period attributable to:		
Non-controlling interest	154	787
Owners of Aspermont Limited	(7,252)	110

The accompanying notes form part of these consolidated financial statements.

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES  
Consolidated Statement of Financial Position as at 30 June 2015

	Note	Consolidated	
		2015 \$000	2014 \$000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	20	1,645	1,416
Trade and other receivables	7	4,303	5,681
Financial assets	8	3	7
<b>TOTAL CURRENT ASSETS</b>		<b>5,951</b>	<b>7,104</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	8	68	120
Property, plant and equipment	10	171	248
Deferred tax assets	6	2,850	2,468
Intangible assets and goodwill	11	25,808	31,201
<b>TOTAL NON-CURRENT ASSETS</b>		<b>28,897</b>	<b>34,037</b>
<b>TOTAL ASSETS</b>		<b>34,848</b>	<b>41,141</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	6,706	6,115
Income in advance	13	5,554	7,194
Borrowings	14	7,067	8,425
Income tax payable	6	257	343
Provisions	15	-	159
<b>TOTAL CURRENT LIABILITIES</b>		<b>19,584</b>	<b>22,236</b>
<b>NON-CURRENT LIABILITIES</b>			
Income in advance	13	-	267
Deferred tax liabilities	6	3,019	3,207
Provisions	15	196	237
Other liabilities	16	4,087	5,000
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>7,302</b>	<b>8,711</b>
<b>TOTAL LIABILITIES</b>		<b>26,886</b>	<b>30,947</b>
<b>NET ASSETS</b>		<b>7,962</b>	<b>10,194</b>
<b>EQUITY</b>			
Issued capital	17	54,158	49,292
Reserves		(6,862)	(10,168)
Accumulated losses		(38,649)	(28,091)
Parent entity interest		8,647	11,033
Non-controlling interest		(685)	(839)
<b>TOTAL EQUITY</b>		<b>7,962</b>	<b>10,194</b>

The accompanying notes form part of these consolidated financial statements.

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES  
Consolidated Statement of Changes in Equity for the year ended 30 June 2015

Consolidated	Issued Capital \$000	Accumulated Losses \$000	Other Reserves \$000	Share Based Reserve \$000	Currency Translation Reserve \$000	Financial Assets Reserve \$000	Sub-Total \$000	Non-Controlling Interest \$000	Total \$000
Balance at 1 July 2013	49,292	(24,671)	(8,053)	1,458	(4,559)	(2,544)	10,923	(170)	10,753
Profit/(loss) for the year	-	(1,116)	-	-	-	-	(1,116)	699	(417)
Other comprehensive income									
Foreign currency translation differences for foreign operations	-	-	-	-	1,261	-	1,261	88	1,349
Realised loss on equity investments transferred	-	(2,304)	-	-	-	2,304	-	-	-
Financial assets reserve movement	-	-	-	-	-	103	103	-	103
Income tax relating to components of other comprehensive income	-	-	-	-	-	(138)	(138)	-	(138)
Total comprehensive income	-	(3,420)	-	-	1,261	2,269	110	787	897
Transactions with owners in their capacity as owners:									
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	(1,456)	(1,456)
Balance at 30 June 2014	49,292	(28,091)	(8,053)	1,458	(3,298)	(275)	11,033	(839)	10,194
Profit/(loss) for the year	-	(10,558)	-	-	-	-	(10,558)	754	(9,804)
Other comprehensive income									
Foreign currency translation differences for foreign operations	-	-	-	-	3,307	-	3,307	(600)	2,707
Realised loss on equity investments transferred	-	-	-	-	-	(2)	(2)	-	(2)
Financial assets reserve movement	-	-	-	-	-	1	1	-	1
Income tax relating to components of other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	(10,558)	-	-	3,307	(1)	(7,252)	154	(7,098)
Transactions with owners in their capacity as owners:									
Shares issued (net of issue cost)	4,866	-	-	-	-	-	4,866	-	4,866
Balance at 30 June 2015	54,158	(38,649)	(8,053)	1,458	9	(276)	8,647	(685)	7,962

The accompanying notes form part of these consolidated financial statements.

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES  
Consolidated Statement of Cash Flows for the year ended 30 June 2015

	Note	Consolidated	
		2015 \$000	2014 \$000
Cash flows from operating activities			
Cash receipts from customers		29,433	36,581
Cash payments to suppliers and employees		(31,745)	(35,242)
Interest and other costs of finance paid		(635)	(988)
Interest received		6	3
Income tax paid		(52)	(77)
Net cash (used in)/ from operating activities	20 (b)	(2,993)	277
Cash flows from investing activities			
Proceeds for loans made		-	290
Payments for investments		(137)	(631)
Proceeds from sale of equity investments		-	404
Payments for plant and equipment		(28)	(54)
Payment for intangible assets		(66)	(290)
Net cash used in investing activities		(231)	(281)
Cash flows from financing activities			
Proceeds from issue of shares		2,686	-
Share issue transaction costs		(88)	
Proceeds of borrowings		1,697	381
Repayment of borrowings		(788)	(794)
Dividends paid to non-controlling interest		-	(1,456)
Net cash from/ (used in) financing activities		3,507	(1,869)
Net increase/ (decrease) in cash held		283	(1,873)
Cash at the beginning of the year		1,416	3,145
Effects of exchange rate changes on the balance of cash held in foreign currencies		(54)	144
Cash at the end of the year	20 (a)	1,645	1,416

The accompanying notes form part of these consolidated financial statements.

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES  
Notes to the Consolidated Financial Statements for the year ended 30 June  
2015

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1. General information

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

These financial statements were approved for issue by the Board of Directors on 29 September 2015.

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

Principal place of business and registered office	Principal place of business	Principal place of business
613-619 Wellington Street PERTH WA 6000	Hong Kong  20/F Siu On Centre 188 Lockhart Road Wanchai, Hong Kong	United Kingdom  Level 4, Vintners Place 68 Upper Thames Street London, UK EC4V 3BJ
Tel: +61 8 6263 9100	Tel: +852 2219 0112	Tel: +44 (0) 207 216 6060

2. Significant accounting policies

Statement of compliance

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for-profit entity for the purposes of preparing the financial statements.

The financial report covers the consolidated group of Aspermont Limited and controlled entities. Separate financial statements of Aspermont Limited, as an individual entity, are no longer presented as a consequence of a change to the *Corporations Act 2001*. Financial information for Aspermont Limited as an individual entity is included in note 3.

The financial report of Aspermont Limited and controlled entities comply with all International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis of preparation

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected financial assets for which the fair value basis of accounting has been applied.

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

2. Significant accounting policies (continued)

Basis of preparation (continued)

Going concern

As at 30 June 2015, the Group had a net current liability position of \$13.633 million and for the year then ended had cash outflows of \$2.993 million. The Group had cash on hand of \$1.645 million. At the date of this report the consolidated entity is in the midst of further capital raising activities to add further working capital to the balance sheet. The consolidated entity is targeting a total amount of approximately \$0.8 million that will likely be in the form of convertible debentures and is continuing to progress cost cutting initiatives.

The funds raised and actions taken will reduce the consolidated entity's debt exposure for the incoming financial year and provide working capital to accelerate the repositioning of the business.

Subsequent to year end convertible debentures were issued in respect to the \$1.48 million advanced as at 30 June 2015 and the director loan of \$2.908 million has been extended to 31 December 2015. The consolidated entity's bank debt with the Australian and New Zealand Banking Corporation ("ANZ") of \$2.285 million is secured by registered company charges and fixed and floating charges over the assets of the consolidated entity. The facility is subject to annual review with the next review date on 30 September 2015 (refer to Note 14 for details on borrowings).

At the current time the consolidated entity 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 and the minimum EBITDA and revenue on a year to date basis. As a consequence the debt has been classified as current.

The consolidated entity is in regular communications with ANZ to restructure the facility. The bank is supportive of the consolidated entity's capital raising activities. There are no matters existing to indicate that the consolidated entity will be unable to successfully restructure the facility.

Should the consolidated entity not raise the necessary funding through debt or equity, successfully restructure the ANZ debt, receive continued support from its directors and achieve positive operating cashflows from cost reduction initiatives, there would be material uncertainty that casts significant doubt as to whether the consolidated entity would be able to meet its debts as and when they fall due and thus continue as a going concern.

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

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the consolidated entity be unable to continue as a going concern.

2. Significant accounting policies (continued)

(a) Basis of consolidation

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

A list of controlled entities is contained in note 18 to the financial statements.

All inter-company balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

Non-controlling interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

In the parent entity the investments in the subsidiaries are carried at cost, less impairment.

*Changes in ownership interests*

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Aspermont Limited.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the Statement of Profit or Loss and Other Comprehensive Income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly-controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to the Statement of Profit or Loss and Other Comprehensive Income where appropriate.

(b) Cash and cash equivalents

For the purpose of the statement of cash flows, cash includes:

- i. cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts; and
- ii. investments in money market instruments with less than 14 days to maturity.

2. Significant accounting policies (continued)

(c) Plant and equipment

Each class of plant and equipment is carried at cost less accumulated depreciation and impairment.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than the estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Profit or Loss and Other Comprehensive Income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

The depreciable amounts of all plant and equipment are depreciated on a diminishing value basis over their useful lives to the economic entity commencing from the time an asset is held ready for use.

The depreciation rates used for depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	13.5% - 40%

(d) Employee benefits

Provision is made for the Group's liability for employee entitlements arising from services rendered by employees to reporting date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and annual leave, which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements. Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

(e) Financial instruments

Recognition

The Group recognises receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

Financial assets are classified based on the objective of the Group's business model for managing the financial assets and the characteristics of the contractual cash flows.

The Group derecognises a financial asset when the contractual cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows such that substantially all the risks and rewards of ownership of the financial asset are transferred.

2. Significant accounting policies (continued)

(e) Financial instruments (continued)

The Group has the following financial assets:

Financial assets at fair value

Financial assets at fair value are non-derivative financial assets.

Financial assets at fair value are measured initially at fair value which includes transaction costs directly attributable to the acquisition of the financial asset. They are measured subsequently at fair value with movements in fair value being recognised in the profit or loss, unless:

- The financial asset is an equity investment, and
- The Group has made an irrevocable election to present gains and losses on the financial asset in other comprehensive income. This election has been made on an individual equity basis.

Dividends from equity investments are included in the profit or loss regardless of whether the election has been made to recognise movements in fair value in other comprehensive income.

Profit or loss arising on the sale of equity investments is recognised in the profit or loss unless the election has been made to recognise fair value movements in other comprehensive income.

Impairment

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

(f) Income Tax

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

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

Deferred tax is credited in the statement of profit and loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

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2. Significant accounting policies (continued)

(f) Income Tax (continued)

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

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

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

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

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

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

Tax consolidation

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

2. Significant accounting policies (continued)

(g) Foreign currency

Functional and Presentation Currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the Statement of Profit or Loss or Other Comprehensive Income, except where deferred in equity as a qualifying cash flow or net investment hedge, in which case they are included in other comprehensive income.

Group Companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates at that reporting date.
- Income and expenses are translated at average exchange rates for the period.
- All resulting exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position through other comprehensive income.

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

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

(h) Investment in associates

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for in the parent entity financial statements using the cost method and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition (refer to note 9).

2. Significant accounting policies (continued)

(h) Investment in associates (continued)

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

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(i) Intangible Assets

Goodwill

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business exceeds the fair value attributed to its net assets at date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Mastheads

Mastheads acquired separately are capitalised at cost and from a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets.

Mastheads are tested for impairment where an indicator of impairment exists, and the carrying amount is reviewed annually by the directors to ensure that it is not in excess of the recoverable amount.

IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include direct payroll and payroll related costs of employees time spent on the project. Amortisation is calculated on a diminishing value basis over periods generally ranging from 3 to 5 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the Group has an intention and ability to use the asset.

2. Significant accounting policies (continued)

(i) Intangible Assets (continued)

Intangible assets acquired as part of an acquisition

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

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

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

(j) Subscriptions in advance

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

(k) Revenue and other income

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

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

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

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

(l) Impairment of assets

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

2. Significant accounting policies (continued)

(m) Leases

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

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised on a straight line basis over the lease term.

(n) Rounding of amounts

The parent entity has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

(o) Borrowings

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

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

(p) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(q) Share-based payment transactions

The Group provides benefits to employees (including directors) whereby a component of remuneration includes the issue of share options. The cost of these transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value at grant date is determined using a Black Scholes Merton option pricing model which requires estimated variable inputs. In particular, the expected share price volatility is estimated using the historic volatility (using the expected life of the option), adjusted for any expected changes to future volatility. Information relating to share based payments is set out in note 17.

The cost is recognised together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (vesting date).

2. Significant accounting policies (continued)

(r) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates — Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. Key assumptions used for value-in-use calculations are disclosed in note 11(b).

Key Estimates — Fair Value of intangible assets acquired in a business combination

The Group has identified intangible values for customer contracts and relationships as well as trademarks acquired in line with the requirements of AASB3. These assets will be amortised over a useful life of 5 and 10 years, respectively.

Key Estimates — Re-estimation of put option

The amortised value is calculated based on the present value of the future estimated liability for the purchase of the remaining 40% interest in Beacon Events Limited ("Beacon") from Gainwealth Group Limited. The principal US dollar estimated liability is determined based on a gross profit formula of the Beacon business in fiscal 2017. The 2017 estimated liability is discounted to the present using the original discount rate (at inception) at the reporting date and adjusted for any foreign exchange movements between the underlying US dollar liability and the Australian dollar. The key assumption used in the present value calculation is the estimated gross profit of the Beacon business in fiscal 2017.

(s) Business combinations

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

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

2. Significant accounting policies (continued)

(s) Business combinations (continued)

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

(t) Earnings per share

(i) *Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus entitlements in ordinary shares issued during the year and excluding treasury shares.

(ii) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(u) Trade receivables

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

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

The amount of impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(v) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(w) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

2. Significant accounting policies (continued)

(x) Accounting standards adopted

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

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

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

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

(y) Accounting standards issued not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2015. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below

*AASB 9 Financial Instruments*

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets and additional new disclosures. The consolidated entity will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

*AASB 15 Revenue from Contracts with Customers*

This standard is applicable to annual reporting periods beginning on or after 1 January 2017. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under IAS 18 revenue. The consolidated entity will adopt this standard from 1 July 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.

(z) Segment reporting

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

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3. Parent Entity Information

The following details relate to the parent entity, Aspermont Limited, at 30 June 2015. The information presented here has been prepared using consistent accounting policies as presented in note 2.

	2015 \$000	2014 \$000
Current assets	1,624	1,489
Non-current assets	28,210	27,180
<b>Total assets</b>	<b>29,834</b>	<b>28,669</b>
Current liabilities	16,586	13,256
Non-current liabilities	7,251	5,219
<b>Total liabilities</b>	<b>23,837</b>	<b>18,475</b>
Contributed equity	54,158	49,292
Accumulated losses	(45,060)	(29,981)
Reserves		
Share based payment reserve	1,458	1,458
Financial asset reserves	(276)	(276)
Other reserves	(3,938)	(9,954)
Currency Translation Reserve	(345)	(345)
<b>Total equity</b>	<b>5,997</b>	<b>10,194</b>
Profit/ (loss) for the year	(763)	190
Other comprehensive income/ (loss) for the year	2,706	1,314
<b>Total comprehensive income/ (loss) for the year</b>	<b>1,943</b>	<b>1,504</b>

All of the companies of the Group including the parent are a party to the ANZ loan described in note 14.

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4. Revenue

	Consolidated	
	2015	2014
	\$000	\$000
Continuing operations:		
Sales revenue – subscriptions and advertising	17,246	20,775
Conferencing revenue	13,012	15,680
	<b>30,258</b>	<b>36,455</b>
Other income:		
Interest	6	3
Government grants	-	67
Other income	273	52
	<b>279</b>	<b>122</b>

\* Government grants - An export market development grant of \$67,161 was received during 2014. There are no unfilled conditions or other contingencies attached to this or any other grants.

5. Expenses

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

	Consolidated	
	2015	2014
	\$000	\$000
(a) Expenses:		
Bad debts written off	104	149
Consulting and accounting services	1,063	746
Depreciation and amortisation of plant, equip. and intangible assets	880	911
Directors' fees	264	278
Employee benefits expense	15,353	18,533
Foreign exchange gains/(losses)	204	(221)
Interest expense	585	700
Legal costs	174	367
Rental expense on operating leases	1,747	1,682
Impairment of investment in associates	-	117
Write-down of loan receivable	118	1,213
Change in the amortised cost of the Beacon Put Option:		
Foreign exchange movements	579	(391)
Change in estimated value	(1,919)	(2,142)
	<b>(1,340)</b>	<b>(2,533)</b>
Imputed interest expense	275	422
(b) Remuneration of auditors of the parent entity for:		
Auditing or reviewing the accounts - BDO WA	110	96
Auditing or reviewing the accounts - BDO HKG and UK	61	56
Other services - technical consultation - BDO WA	-	5
Other services - technical consultation - BDO HKG	-	7

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6. Taxation

	Consolidated	
	2015 \$000	2014 \$000
(a) Income tax expense/ (benefit)		
The components of tax expense/ (revenue) comprise:		
Current tax	14	(1,079)
Deferred tax	(1,602)	27
Derecognise capital losses	590	374
Prior year adjustments	(84)	(247)
	(1,082)	(925)
The prima facie tax on profit/ (loss) before tax is reconciled to the income tax as follows:		
Profit/ (loss) from operations	(10,886)	(1,342)
Income tax expense calculated at 30%	(3,266)	(402)
Tax effect of permanent differences:		
Increase in income tax expense due to:		
Non-deductible expenditure	1,378	1,482
Tax losses not recognised	3,154	
Profit/(loss) on equity shares		(103)
Prior year adjustments	3	(5)
Decrease in income tax expense due to:		
Temporary difference not recognised		-
Difference in overseas tax rates		239
Derecognise capital losses		374
Non-assessable income	(2,486)	(2,510)
Effect of different tax rates of foreign operations	135	-
Income tax expense/ (benefit) attributable to profit from ordinary activities	(1,082)	(925)
Effective tax rate	10%	69%
Income tax payable		
Opening balance	343	925
Charged to income	(71)	(606)
Payments	(51)	
Currency movements	36	24
	257	343

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6. Taxation (continued)

	Consolidated	
	2015	2014
	\$000	\$000
(b) Deferred tax		
Deferred income tax at 30 June relates to the following:		
Liabilities		
Intangible assets in relation to business combinations	3,010	3,169
Other	9	38
Total	3,019	3,207
Assets		
Provisions	362	454
Future benefit of carried forward losses	2,292	1,314
Fair value gain adjustments	196	700
Other	-	-
	2,850	2,468

(c) Reconciliations

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

	Intangible assets relating to business combinations \$000	Other \$000	Total \$000
Balance at 1 July 2013	2,921	10	2,931
Credited/(charged):			
- to profit or loss	248	28	276
- to equity	-	-	-
Balance at 30 June 2014	3,169	38	3,207
Credited/(charged):			
- to profit or loss	(597)	(31)	(628)
- to equity	-	-	-
Currency movements	438	2	440
Balance at 30 June 2015	3,010	9	3,019

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6. Taxation (continued)

	Provisions \$000	Future benefit of carried forward losses \$000	Fair value gain adjustments \$000	Total \$000
Balance at 1 July 2013	443	1,196	544	2,183
Credited/(charged):				
- to profit or loss	11	118	292	421
- to equity	-	-	(136)	(136)
Balance at 30 June 2014	454	1,314	700	2,468
Credited/(charged):				
- to profit or loss	(94)	978	(502)	382
- to equity	-	-	(2)	(2)
Currency movements	2	-	-	2
Balance at 30 June 2015	362	2,292	196	2,850

(d) Amounts recognised directly in equity

Aggregate current and deferred tax arising in the reporting period and not recognised in the statement of comprehensive income but directly debited or credited to equity:

Net deferred tax - credited directly to equity

	Consolidated	
	2015 \$000	2014 \$000
Net deferred tax - credited directly to equity	(2)	57
Tax expense/ (income) relating to items of other comprehensive income		
Financial assets reserve	(2)	57

(e) Tax expense/ (income) relating to items of other comprehensive income

Financial assets reserve

Tax consolidation

Aspermont and its wholly-owned Australian subsidiaries are a tax consolidated group. The accounting policy in relation to this legislation is set out in note 2 (f).

On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which limits the joint and several liability of the wholly-owned entities in the case of a default by the head entity, Aspermont Limited.

Taxation contingent liability

Subsequent to the acquisition of 60% of Beacon Events Limited in July 2012, the Company is still in the process of receiving the finalised assessment of residency status for income tax for certain entities of the Beacon Group. As this is yet to be finalised by the relevant tax authority there is a potential for the current applications to be rejected. If these applications are rejected there may be obligations for tax in other tax jurisdictions for which no tax has been provided for.

The group has obtained independent advice that the current residency arrangements and resulting obligations for the group in the respective jurisdictions is reasonable.

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7. Receivables

	Consolidated	
	2015 \$000	2014 \$000
<b>Current</b>		
Trade receivables	3,054	4,201
Allowance for impairment	(142)	(128)
Other receivables	290	244
Prepayments	1,101	1,364
	<b>4,303</b>	<b>5,681</b>
<b>Non-current</b>		
Trade receivables	-	-
Loan - Nomad Limited Partnership	1,801	1,145
Loan - Impairment	(1,801)	(1,145)
	<b>-</b>	<b>-</b>

Information about the Group's exposure to interest rate risk and credit risk is provided in note 22.

(a) Impaired trade receivables

As at 30 June 2015 current trade receivables of the Group with a nominal value of \$142,292 (2014 – \$128,108) were impaired. The individually impaired receivables mainly relate to customers who are in unexpectedly difficult economic situations.

The ageing of these receivables is as follows:

	Consolidated	
	2015 \$000	2014 \$000
1 to 3 months	49	30
Over 3 months	93	98
	<b>142</b>	<b>128</b>

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7. Receivables (continued)

(a) Impaired trade receivables (continued)

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

	Consolidated	
	2015 \$000	2014 \$000
At 1 July	128	103
Allowance for impairment	42	72
Foreign exchange movement	-	7
Receivables written off	(28)	(54)
	142	128

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

(b) Past due but not impaired

As at 30 June 2015, trade receivables of \$1,495,000 (2014: \$2,925,000) were past due but not impaired. Trade receivables include revenues deferred, particularly in the Events and to a lesser degree the Publishing business. The ageing analysis of these trade debtors is as follows:

	Consolidated	
	2015 \$000	2014 \$000
1 to 3 months	927	1,994
Over 3 months	567	931
	1,494	2,925

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due. The Group does not hold any collateral in relation to these receivables.

Information about the Group's exposure to foreign currency risk and interest rate risk in relation to trade and other receivables is provided in note 22.

Due to the short term nature of these receivables, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivable mentioned above.

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8. Other financial assets

	Consolidated	
	2015 \$000	2014 \$000
<b>Current</b>		
Listed equity shares at fair value through profit or loss (i) #	3	7
	<b>3</b>	<b>7</b>
<b>Non – current</b>		
Listed equity shares at fair value through other comprehensive income (i) #	-	-
Unlisted equity shares at fair value through other comprehensive income (ii) #	68	68
Unlisted equity shares at fair value through other comprehensive income (iii) #	-	52
	<b>68</b>	<b>120</b>

(i) Level 1 - Fair value measurements were obtained using quoted prices (unadjusted) in active markets for identical assets.

(ii) Level 2 - Fair value measurements were obtained using inputs other than quoted prices that are observable for the asset either directly (as prices) or indirectly (derived from prices).

(iii) Level 3 - Measurements are not based on observable market data (unobservable inputs).

# There were no transfers between Level 1 and Level 2 during the reporting period.

Gains or losses on unlisted investments, wherein an irrevocable election has been made to recognise fair value changes in other comprehensive income, are recognised as a separate component of equity. Other gains or losses have been included in the profit or loss.

Information about the Group's exposure to price risk is provided in note 22.

Equity instruments measured at fair value through other comprehensive income

The Group has classified most of its investments currently held as fair value through other comprehensive income because they are investments that the Group intends to hold for the longer term.

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8. Other financial assets (continued)

Equity investments held at year end:

	Consolidated	
	2015 \$000	2014 \$000
Fair Value - Level 1		
Excalibur Mining Ltd	3	6
Other	-	1
	<b>3</b>	<b>7</b>
Fair Value - Level 2		
Private Media Group Pty Ltd	68	68
	<b>68</b>	<b>68</b>
Fair Value - Level 3 <sup>(1)</sup>		
Cascade Resources Ltd	-	50
Advent Energy Ltd	-	2
	<b>-</b>	<b>52</b>

(1) Cost approximates fair value

9. Investments accounted for using the equity method

(a) Movements in carrying amounts

	Consolidated	
	2015 \$000	2014 \$000
Carrying amount at the beginning of the financial year	-	83
Funding of associates during the year	-	34
Impairment of investment	-	(117)
Carrying amount at the end of the financial year	<b>-</b>	<b>-</b>

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9. Investments accounted for using the equity method (continued)

(b) Summarised financial information of associates

The Group's share of the results of its principal associates and its aggregated assets (including goodwill) and liabilities are as follows:

	Ownership Interest	Assets \$000	Liabilities \$000	Revenues \$000	Profit/ (Loss) \$000
2015					
Kondinin Rural Joint Venture	50%	-	-	-	-
		-	-	-	-
2014					
Kondinin Rural Joint Venture*	50%	-	-	-	(117)
		-	-	-	(117)

\* In June 2014 an exit agreement was signed to wind up the joint venture. 100% of the investment in the joint venture has been written down.

10. Plant and equipment

	Consolidated	
	2015 \$000	2014 \$000
Plant and equipment – at cost	2,202	2,101
Accumulated depreciation	(2,033)	(1,857)
	169	244
Equipment under finance lease – at cost	105	105
Accumulated depreciation	(103)	(101)
	2	4
Total plant and equipment	171	248

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10. Plant and equipment (continued)

(a) Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

Consolidated	Plant and equipment \$000	Leased plant and equipment \$000	Total \$000
Gross carrying amount			
Balance at 1 July 2013	2,082	105	2,187
Additions	57	-	57
Currency movements	(8)	-	(8)
Disposals	(30)	-	(30)
Balance at 30 June 2014	2,101	105	2,206
Additions	29	-	29
Currency movements	72	-	72
Balance at 30 June 2015	2,202	105	2,307
Accumulated Depreciation			
Balance at 1 July 2013	(1,732)	(99)	(1,831)
Depreciation expense	(161)	(2)	(163)
Currency movements	11	-	11
Disposals	25	-	25
Balance at 30 June 2014	(1,857)	(101)	(1,958)
Depreciation expense	(111)	(2)	(113)
Currency movements	(65)	-	(65)
Balance at 30 June 2015	(2,033)	(103)	(2,136)
Net book value			
As at 30 June 2014	244	4	248
As at 30 June 2015	169	2	171

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10. Plant and equipment (continued)

(b) Leased plant and equipment

The parent entity leases assets under a number of finance lease agreements. At 30 June 2015, the net carrying amount of leased plant and equipment was \$3,956 (2014: \$2,352). The leased equipment secures lease obligations.

11. Intangible assets

Consolidated	Goodwill \$000	Software \$000	Purchased mastheads \$000	Other acquired assets \$000	Total \$000
Gross carrying amount					
Balance at 1 July 2013	17,747	2,703	9,936	2,388	32,774
Additions	-	299	-	-	299
Currency movements	888	42	646	-	1,576
Balance at 30 June 2014	18,635	3,044	10,582	2,388	34,649
Additions	-	68	-	-	68
Currency movements	2,764	104	983	-	3,851
Balance at 30 June 2015	21,399	3,216	11,565	2,388	38,568
Accumulated Amortisation					
Balance at 1 July 2013	-	(1,736)	-	(822)	(2,558)
Amortisation expense	-	(331)	-	(422)	(753)
Impairment	-	-	-	(100)	(100)
Currency movements	-	(37)	-	-	(37)
Balance at 30 June 2014	-	(2,104)	-	(1,344)	(3,448)
Amortisation expense	-	(345)	-	(423)	(768)
Impairment	(6,132)	-	(1,990)	(334)	(8,456)
Currency movements	-	(86)	(2)	-	(88)
Balance at 30 June 2015	(6,132)	(2,535)	(1,992)	(2,101)	(12,760)
Net book value					
As at 30 June 2014	18,635	940	10,582	1,044	31,201
As at 30 June 2015	15,267	681	9,573	287	25,808

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11. Intangible assets (continued)

(a) Impairment tests for intangible assets

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

	2015			2014		
	Australia - Asia \$000	Europe \$000	Total \$000	Australia - Asia \$000	Europe \$000	Total \$000
<b>Goodwill</b>						
Conferencing	5,660	-	5,660	5,662	-	5,662
Conferencing impairment	(1,401)	-	(1,401)	-	-	-
Publishing (print & online)	13,057	3,061	16,118	13,057	3,061	16,118
Publishing impairment (print)	(2,195)	(2,536)	(4,731)	-	-	-
Foreign exchange reserve	(283)	(96)	(379)	(2,690)	(455)	(3,145)
	<b>14,838</b>	<b>429</b>	<b>15,267</b>	<b>16,029</b>	<b>2,606</b>	<b>18,635</b>
<b>Software</b>						
Cost	2,344	872	3,216	2,294	750	3,044
Accumulated amortisation	(1,758)	(777)	(2,535)	(1,575)	(529)	(2,104)
	<b>586</b>	<b>95</b>	<b>681</b>	<b>719</b>	<b>221</b>	<b>940</b>
<b>Purchased mastheads</b>						
Mastheads (print & online)	2,324	9,961	12,285	2,324	9,960	12,284
Mastheads impairment (print)	-	(1,992)	(1,992)	-	-	-
Foreign exchange reserve	-	(720)	(720)	-	(1,702)	(1,702)
	<b>2,324</b>	<b>7,249</b>	<b>9,573</b>	<b>2,324</b>	<b>8,258</b>	<b>10,582</b>
<b>Other Intangible Assets</b>						
Acquired intangible assets	2,388	-	2,388	2,388	-	2,388
Acquired intangible assets impairment	(334)	-	(334)	-	-	-
Accumulated amortisation	(1,767)	-	(1,767)	(1,344)	-	(1,344)
	<b>287</b>	<b>-</b>	<b>287</b>	<b>1,044</b>	<b>-</b>	<b>1,044</b>
<b>Total Intangible Assets</b>	<b>18,035</b>	<b>7,773</b>	<b>25,808</b>	<b>20,116</b>	<b>11,085</b>	<b>31,201</b>

11. Intangible assets (continued)

(b) Key assumptions used for value-in-use calculations

	2015		2014	
	Net growth rate	Discount rate	Net growth rate	Discount rate
Conferencing	2%	8.7%	2%	11%
Publishing (print & online) - UK	2%	8.7%	2%	9%
Publishing (print & online) - Australia	2%	11.3%	2%	11%

A terminal value is used for each Cash Generating Unit and is based on an EBITDA multiple of 4 (2014: growth into perpetuity). The discount rates used reflect specific risks relating to the relevant segments and the countries in which they operate.

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

(c) Impact of possible changes in key assumptions

Sensitivity analysis indicated the following:

- the impairment of the Australian Publishing Print business assets will increase by approximately \$150,000 for every 100 basis points increase in the discount rate applied and by \$120,000 for a 1% reduction in the EBITDA growth rate,
- an increase of up to 2500 basis points in the discount rate applied or a reduction of up to 28% in the EBITDA will not result in the impairment of the Australian Publishing Online business assets,
- the impairment of the UK Publishing business assets will increase by approximately \$430,000 for every 100 basis points increase in the discount rate applied and by \$340,000 for a 1% reduction in the EBITDA growth rate,
- an increase of up to 900 basis points in the discount rate applied or a reduction of up to 50% in the EBITDA will not result in any further impairment of the Conferencing business assets.

(d) Amortisation charge

The amortisation charge for the business combinations of Kondinin Information Services Pty Ltd (Kondinin) and Waste Management and Environment Media Pty Ltd (WME) was \$422,985 during 2015. (2014: \$422,985)

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12. Trade and other payables

	Consolidated	
	2015	2014
	\$000	\$000
Current		
Unsecured Liabilities		
Trade payables	2,245	2,921
Sundry creditors and accrued expenses	4,187	2,615
Annual leave payable	274	579
	<u>6,706</u>	<u>6,115</u>

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

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

13. Income in advance

	Consolidated	
	2015	2014
	\$000	\$000
Current		
Opening balance	7,194	8,769
Net movement during the year	(1,640)	(1,575)
	<u>5,554</u>	<u>7,194</u>
Non-Current		
Opening balance	267	-
Net movement during the year	(267)	267
	<u>-</u>	<u>267</u>

Current income in advance relates to subscription, advertising and event revenue received prior to services rendered. Non-current income in advance relates to long term grant funding received in advance.

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14. Borrowings

	Consolidated	
	2015	2014
	\$000	\$000
Current		
Finance lease liability	-	7
Secured loans from external parties	2,285	3,005
Loans advanced for convertible debentures (see note 14)	1,482	-
Loans from related parties (see note 21(b))	2,908	4,946
Payable for acquisition of WME	392	467
	<u>7,067</u>	<u>8,425</u>

a) The carrying amount of the Group's current and non-current borrowings approximates the fair value.

b) The external party loans include:

- an advance of \$1.48 million received in respect of a convertible note agreement signed after the reporting date (see note 26),
- loan with Australian and New Zealand Banking Corporation (ANZ) which is secured by registered company charges and fixed and floating charges over the assets of the consolidated entity. The facility is subject to annual review with the next review date being 30 September 2015.

At the current time the Company is in breach of the financial covenants of the facility for the calculation of the debt to EBITDA (earnings before interest, taxes, depreciation and amortisation), ratio and the minimum EBITDA and revenue on a year to date basis. As a consequence the debt has been classified at current.

The Company is in regular communications with ANZ to negotiate a revised facility. There are no matters existing to indicate that the Company will be unable to successfully renegotiate the facility.

c) Finance lease liabilities are secured by the asset leased.

d) Loans from related parties are unsecured at interest rates of 9.5%. Repayment of these loans is subject to limitations and subordinated to the ANZ facility debt.

e) Information about the Groups' exposure to interest rate risk is provided in note 22.

15. Provisions

	Consolidated	
	2015	2014
	\$000	\$000
Current		
Long service leave entitlements	-	159
Non - Current		
Long service leave entitlements	196	237

16. Other liabilities

In July 2012, a put and call option was entered into with the non-controlling shareholder of Beacon Events Limited covering their 40% interest along with a redeemable preference share, redeemable for a total of US\$2.5 million. This required a redemption amount of US\$250,000 payable in preference to ordinary shareholders upon the declaration of a dividend. The future discounted amount adjusted for foreign currency is estimated at \$3.9 million (2014: \$5 million) which is recorded as a liability of the Group and a provision for purchase of the non-controlling interest in the equity section. The liability is discounted using the Aspermont bank loan rate of 7.62% and for the duration of the option the interest will be amortised until the option is extinguished. For the year ended 30 June 2015 interest of \$278,057 (2014: \$421,656) was recognised. The put option is carried as a financial liability at amortised cost.

The liability for the purchase of the minority interest in Beacon is calculated based on a US dollar gross profit formula for the estimated fiscal 2017 gross margin of the Beacon business at each reporting period. This amount is then discounted to the current balance sheet date using the original discount rate (as per above) and adjusted for any foreign exchange movements between the underlying US dollar liability and the Australian dollar. The change in estimated value disclosed below mainly relates to the revision of the estimated future cash flow as per the present value calculation of the financial instrument. The estimated fair value of the liability at reporting date is estimated at \$4 million (2014:\$5 million) and is classified as level 3 in the fair value hierarchy due to the use of unobservable inputs as discussed above.

	Consolidated	
	2015	2014
	\$000	\$000
Liability in respect of Beacons put and call option		
Opening balance	5,000	7,111
Imputed interest expense	275	422
Foreign exchange movements	1,187	(391)
Change in estimated value	(2,525)	(2,142)
Estimated fair value of the liability	3,937	5,000
Other non-current liabilities	150	-
Total non-current liabilities	4,087	5,000

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17. Issued capital

	Consolidated	
	2015 \$000	2014 \$000
724,918,019 fully paid ordinary shares (2014: 238,710,493)	54,158	49,292
(a) Ordinary shares		
At the beginning of the reporting period	49,292	49,292
Shares issued during the year:		
238,710,493 fully paid ordinary shares issued as part of rights issue	2,387	-
226,748,700 fully paid ordinary shares issued as part of debt/equity conversion (see note 21(b))	2,268	-
20,748,333 private placement of fully paid ordinary shares	299	-
Share issue costs	(88)	
At reporting date	54,158	49,292

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(b) Options

The establishment of the Executive Option Plan was approved by the directors in April 2000. The Executive Option Plan is designed to retain and attract skilled and experienced board members and executives and provide them with the motivation to make the Group successful. Participation in the plan is at the Board's discretion.

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

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

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

17. Issued capital (continued)

	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Lapsed during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number	Weighted Average Exercise Price
2015	26,900,000	-	-	650,000	26,250,000	26,250,000	15c
2014	26,900,000	-	-	-	26,900,000	26,900,000	15c

Of the above options, 21,250,000 expire on 30 October 2015 and the remaining 5,000,000 expire 30 October 2016.

The weighted average share price during the financial year was 2.11cents (2014: 2.99cents).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 0.53 years (2014: 1.52 years).

(c) Reserves

The nature and purpose of the reserves are as follows:

Share based reserve

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

Currency translation reserve

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

Financial assets reserve

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

Other reserve

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

(d) Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

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17. Issued capital (continued)

(d) Capital risk management (continued)

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt (borrowings and trade and other payables less cash and cash equivalents) divided by total capital (equity).

The gearing ratios at 30 June 2015 and 2014 were as follows:

	Consolidated	
	2015 \$000	2014 \$000
Total borrowings	13,773	14,540
Less: cash and cash equivalents	(1,645)	(1,416)
Net debt	12,128	13,124
Total equity	7,962	10,194
Total capital	20,090	23,318
Gearing ratio	60%	56%

18. Particulars in relation to controlled entities

Name of entity	Place of Incorp.	Class of share	Economic Entity Interest	
			2015 %	2014 %
Parent entity:				
Aspermont Limited	NSW			
Controlled entities:				
Resourceful Events Pty Ltd	NSW	Ord	100	100
Corporate Intelligence & Communications Pty Ltd	WA	Ord	100	100
Kondinin Information Services Pty Ltd	WA	Ord	100	100
Aspermont Media Limited	UK	Ord	100	100
Aspermont (Hong Kong) Ltd	HKG	Ord	100	100
Aspermont Brazil Ltd	Brazil	Ord	100	100
Beacon Events Limited	BVI	Ord	60	60
Beacons Events Ltd	HKG	Ord	60	60
Resourceful Events Ltd	BVI	Ord	60	60
Resourceful Events Ltd	HKG	Ord	60	60
Resourceful Events Ltd	UK	Ord	60	60
Resourceful Australia Pty Ltd	NSW	Ord	60	60
Ethical Beacon Ltd	BVI	Ord	60	60
Ethical Beacon Ltd	HKG	Ord	60	60
Aspermont Beacon Live Events Ltd	BVI	Ord	60	60
Aspermont UK Limited	UK	Ord	60	60
Mines and Money Events Limited	Cayman	Ord	60	60
Beacon Conference & Exhibition Services (Beijing) Ltd	PRC	Ord	60	60

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19. Non-controlling interests

The Group's subsidiary Beacon Events Limited has a material non-controlling interest (NCI) as disclosed in note 18. The following table summarises information relating to that non-controlling interest, before any intra-group eliminations:

	Consolidated Beacon Events Limited	
	2015 \$000	2014 \$000
NCI percentage	40%	40%
Summarised statement of financial position		
Current assets	2,596	3,844
Non-current assets	10,692	10,716
Current liabilities	(5,702)	(6,428)
Non-current liabilities	(4,776)	(4,126)
Net Assets	2,810	4,006
Summarised statement of profit or loss and other comprehensive income		
Revenue	11,806	15,680
Profit after income tax expense	304	730
Other comprehensive income	(1,500)	219
	(1,196)	949
Summarised statement of cash flows		
Cash flows from operating activities	(637)	1,061
Cash flows from investing activities	321	567
Cashflows from financing activities (excluding NCI dividends)	-	(784)
NCI dividends paid	-	(1,456)
Net increase/ (decrease) in cash and cash equivalents	(316)	(612)
Other financial information		
Net profit/(loss) attributable to non-controlling interest	754	699
Accumulated non-controlling interest	(685)	(839)
Loans to/(from) non-controlling interest	(73)	(59)

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20. Cash flow information

	Consolidated	
	2015	2014
	\$000	\$000
(a) Reconciliation of cash and cash equivalents		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:		
Cash at bank and on deposit	1,645	1,416
	<u>1,645</u>	<u>1,416</u>
(b) Reconciliation of operating profit/ (loss) after tax to net cash from operating activities		
Profit/ (loss) after income tax	(9,804)	(417)
Non-cash flows in profit/ (loss)		
Depreciation	880	911
Impairment of loan receivable	118	1,213
Impairment of investment in associates	-	117
Impairment of intangible assets	8,456	-
Change in fair value of investments	72	(28)
Non-cash movement on put option liability	(1,064)	(2,111)
Non cash items	(630)	(250)
Exchange rate movements	-	12
Change in assets and liabilities:		
Decrease in receivables	1,918	2,012
Increase in creditors and accruals	205	925
(Decrease) in unearned revenue	(2,422)	(1,308)
(Decrease)/ Increase in provisions	(25)	39
(Decrease) in income taxes payable	(125)	(582)
(Decrease) in deferred taxes payable	(572)	(256)
Net cash (used in)/ from operating activities	<u>(2,993)</u>	<u>277</u>
(c) Non-cash financing for the year included \$2,267,487 for the conversion of debt due to directors into ordinary shares.		

21. Key management personnel and related parties disclosures

(a) Key management personnel compensation

	Consolidated	
	2015 \$000	2014 \$000
Short-term employee benefits	1,728	2,509
Post-employment benefits	163	280
Long-term employee benefits	6	24
Share based payments	-	-
	<b>1,897</b>	<b>2,813</b>

Detailed remuneration disclosures are provided in the audited remuneration report on pages 12 to 23 of the Directors' Report.

(b) Liabilities and loans from director related entities

	Consolidated	
	2015 \$000	2014 \$000
<i>Unsecured loans</i>		
Beginning of year	4,887	4,304
Loan advances	1,128	1,118
Loan repayments	(1,296)	(1,007)
Loan conversion to ordinary shares	(2,268)	-
Interest charged at 9.5% (2014: 9.5%)	384	472
End of year	<b>2,835</b>	<b>4,887</b>

Detailed loan movements are disclosed in the audited remuneration report on pages 12 to 23 of the Directors' Report. Conversion of debt into ordinary shares is further disclosed at note 17.

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

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

The Group leases its principal office facility from Ileveter Pty Ltd, a company associated with a director, Mr A.L Kent. The rent paid was at market rates at the time of lease inception. The lease agreement has a term of five years expiring 30 September 2017.

	Consolidated	
	2015 \$000	2014 \$000
Rental expense for principal offices	547	519

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

Magyar Mining Ltd (“Magyar”), Lahoca Resources Pte Ltd (“Lahoca”) and Mekong Mining Limited (“Mekong”) are companies associated with Mr A. L. Kent. The consolidated entity has made investments in Magyar, LaHoca and Mekong and those investments have been passed to Nomad Limited Partnership in exchange for an unsecured loan. The consolidated entity has pre-paid certain start-up and exploration expenses on behalf of Lahoca, Mekong and other unrelated projects between 2012 and 2015. These assets were converted into an unsecured loan with Nomad Limited Partnership in 2013. The loan has now been fully impaired at 30 June 2015. See note 7 and the table below:

	Consolidated	
	2015	2014
	\$000	\$000
Opening balance	-	375
Expenses paid	123	770
Impairment	(123)	(1,145)
	-	-

The consolidated entity has loaned Magyar \$67,920 (2014: \$67,920). This loan was fully impaired in 2014.

The minority shareholder in Beacon Events Limited is Gainwealth Group Limited (“Gainwealth”). Mr Maybury and Mr Kirwin are Directors of Gainwealth and have declared no controlling or beneficial interest in Gainwealth.

At 30 June 2015 the Company owed \$46,402 (2014: \$51,947) in unpaid Director Fees to current or previous Directors of the Company.

22. Financial risk management

In the normal course of its operations, the consolidated entity is exposed to a variety of financial risks, including market risk, credit risk and liquidity risk.

The consolidated entity’s overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the business. The consolidated entity does not use derivative financial instruments such as foreign exchange contracts to hedge certain risk exposures. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

Risk management is carried out by the management team within the parameters thought prudent by the Audit & Risk Committee of the Board.

22. Financial risk management (continued)

(a) Market risk

(i) Foreign exchange risk

The consolidated entity operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Hong Kong dollar, United Kingdom pound and US dollar and to a lesser extent the Euro.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the consolidated entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The consolidated entity has approximately 39% of its revenues and business activities in Hong Kong and 21% in the United Kingdom pound functional currency entities. The remainder is in Australian dollar functional currencies. The United Kingdom, Hong Kong and Australian operations have small amounts of US Dollar, Euro and Brazilian Real revenue and expense transactions in their operations. The United Kingdom pound and Hong Kong dollar results are then translated into the Australian dollar for consolidated reporting in Australian dollars.

Management has instituted a policy requiring group companies to manage their foreign exchange risk against their functional currency. The group companies are required to bring significant foreign currency transactions to the attention of the central finance function for evaluation, if they occur.

In July 2012 the Group contributed its worldwide events business to Beacon Events Limited ("Beacon") in exchange for 60% of the equity interest in Beacon. The agreement includes an option for the non-controlling shareholders of Beacon to sell their 40% interest in Beacon to Aspermont in 2017 based on a formula of gross profit. This liability is in US dollars and therefore the Australian dollar value of the liability rises and falls with the underlying value of the US dollar.

A 10% strengthening/weakening of the Australian dollar against the following currencies at 30 June 2015 and 2014 would have increased/(decreased) profit and loss by the amounts shown in the following table. The analysis assumes that all other variable, in particular interest rate remain constant.

	Profit or Loss	
	2015 \$000	2014 \$000
GBP	(55)	(57)
HKD	30	73
USD	394	500

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22. Financial risk management (continued)

(a) Market risk (continued)

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

	USD		EUR	
	2015	2014	2015	2014
	\$000	\$000	\$000	\$000
Financial assets				
Trade and other receivables	334	74	311	105
	334	74	311	105

(i) Foreign exchange risk (continued)

Based on the financial instruments held by the consolidated entity as at the reporting date, the sensitivity of the consolidated entity's profit/(loss) after tax for the year and equity at the reporting date to movements in the Australian dollar to US dollar and Australian dollar to Euro exchange rates was:

- Had the Australian dollar weakened/strengthened by 5% against the US dollar with all other variables remaining constant, the consolidated entity's profit after tax would have been \$134,000 lower/higher (2014: \$120,000 lower/higher).
- Had the Australian dollar weakened/strengthened by 5% against the Euro with all other variables remaining constant, the consolidated entity's profit after tax would have been \$28,000 lower/higher (2014: \$40,000 lower/higher).

(ii) Equity price risk

The consolidated entity is exposed to equity securities price risk arising from investments classified on the statement of financial position as financial assets measured at fair value. Investments in equity securities are approved by the Board on a case-by-case basis.

The table below illustrates the potential financial impact of changes in equity securities price for the parent entity's major holdings. Changes in market valuation from reporting date to reporting date are reflected in other income or in other comprehensive income in the Consolidated Statement of Comprehensive Income for the year.

Major Listed Equities - Value at	2015			2014		
	30 June	12 month low	12 month high	30 June	12 month low	12 month high
	\$000	\$000	\$000	\$000	\$000	\$000
Excalibur Mining Corp Ltd	3	1	7	6	6	34
	3	1	7	6	6	34

22. Financial risk management (continued)

(iii) Cash flow and interest rate risk (continued)

The consolidated entity's main interest rate risk arises from short and long-term borrowings.

Borrowings at variable rates expose the consolidated entity to cash flow interest rate risk and borrowings at fixed interest rates expose the consolidated entity to fair value interest rate risk.

The consolidated entity's secured bank borrowings as well as finance lease liabilities and related party loans are all currently at fixed interest rates.

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

Consolidated entity	Weighted average interest rate	Balance	Weighted average interest rate	Balance
	2015		2014	
		\$000		\$000
Financial assets				
Cash and cash equivalents	0.39%	1,645	0.13%	1,416
Financial liabilities				
Bank loan	7.50%	2,285	7.68%	3,005
Related party borrowings	9.50%	2,908	9.50%	4,946
Finance lease liabilities	-	-	8.28%	7
Put and call option	7.62%	3,937	7.62%	5,000
Convertible notes	Higher of 10% or (BBSW +5%)	-		-

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

(b) Credit Risk

Credit risk is the risk that a counterparty will not complete its obligations under a financial instrument resulting in a financial loss for the consolidated entity. Credit risk is managed co-operatively by the finance function and operations for customers, including receivables and committed transactions and at the consolidated entity level for credit risk arising from cash and cash equivalents, deposits with banks and financial institutions.

The consolidated entity does not generally obtain collateral or other security to support financial instruments subject to credit risk. As the profile of the revenue comprises a very large number of small customers, the Group accepts some amount of credit risk but has historically experienced no significant loss.

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

22. Financial risk management (continued)

(b) Credit Risk (continued)

The consolidated entity's total capital is defined as the shareholders' net equity plus net borrowings, and amounted to \$15.0 million at 30 June 2015 (2014: \$18.6 million). The objectives when managing the economic entity's capital is to safeguard the business as a going concern, to maximise returns to shareholders and to maintain an optimal capital structure in order to reduce the cost of capital.

(c) Liquidity and capital risk

The consolidated entity does not have a target debt/equity ratio, but has a policy of maintaining a flexible financing structure so as to be able to take advantage of investment opportunities when they arise.

The consolidated entity's liquidity position is managed to ensure sufficient liquid funds are available to meet its financial obligations in a timely manner. The consolidated entity manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring that the consolidated entity has the ability to access required funding. The consolidated entity has historically maintained backup liquidity for its operations and currently maturing debts through its financial asset portfolio.

The Group contributed its worldwide events business to Beacon Events Limited ("Beacon") in exchange for 60% of the equity interest in Beacon in July 2012. The agreement includes an option for the non-controlling shareholders of Beacon to sell their 40% interest in Beacon to Aspermont in 2017 based on a formula of gross profit. The current estimate of that discounted future amount is \$5 million (adjusted for foreign currency movements) which is recorded as a liability of the Group (see note 16) and a provision for purchase of the non-controlling interest in the equity section.

The consolidated entity reports on two financial covenants relating to the bank financing facility. There is a Debt to EBITDA (earnings before interest, taxes, depreciation and amortisation) ratio and an Interest Cover Ratio tested on a rolling twelve month basis (see note 14).

The following tables analyse the consolidated entity's financial liabilities into maturity groupings based on the remaining period from the reporting date to the contractual maturity date. As amounts disclosed in the table are the contractual undiscounted cash flows including future interest payments, these balances will not necessarily agree with the amounts disclosed on the statement of financial position.

Consolidated entity as at 30 June 2015:

	Less than 6 months \$000	6 to 12 months \$000	Between 1 and 2 years \$000	Between 2 and 5 years \$000	Total Contractua l Cashflows \$000	Carrying Amount \$000
Non-derivatives						
Trade and other payables	4,766	-	-	-	4,766	4,768
Borrowings	754	5,614	-	-	6,368	7,067
Put and call option	-	-	-	4,565	4,565	3,937
	5,520	5,614	-	4,565	15,699	15,772

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22. Financial risk management (continued)

(c) Liquidity and capital risk (continued)

Consolidated entity as at 30 June 2014:

	Less than 6 months \$000	6 to 12 months \$000	Between 1 and 2 years \$000	Between 2 and 5 years \$000	Total Contractua l Cashflows \$000	Carrying Amount \$000
Non-derivatives						
Trade and other payables	3,002	-	-	-	3,002	3,002
Borrowings	9,033	467	-	-	9,500	8,425
Put and call option	-	-	-	6,509	6,509	5,000
	12,035	467	-	6,509	19,011	16,427

Interest payments are included in the borrowing amounts above and are projected using interest rates applicable at 30 June 2015 and 2014. As the bank borrowings are subject to fixed interest rates, future interest payments will not be affected by market changes.

(d) Financial assets and liabilities by category

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

	Consolidated	
	2015 \$000	2014 \$000
Financial assets		
Cash and cash equivalents	1,645	1,416
Trade and other receivables	3,202	4,317
Listed securities	3	7
Unlisted securities	68	120
	4,918	5,860
Financial liabilities		
Trade and other payables	3,235	3,002
Borrowings	7,067	8,425
Put and call option	3,937	5,000
	14,239	16,427

The fair value of cash and cash equivalents, trade and other receivables and trade and other payables is considered to be a reasonable approximation of their fair value due to their short-term nature. The fair value of borrowings as at the reporting date is considered to be a reasonable approximation of their fair value.

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23. Segment information

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

Segment Reporting:

	Print		Digital		Conferencing		Investments	Total
	Australia/ Asia \$'000	Europe \$'000	Australia/ Asia \$'000	Europe \$'000	Australia/ Asia \$'000	Europe \$'000	Australia/ Asia \$'000	\$'000
2015								
Revenue								
Sales	6,801	4,912	3,978	1,557	8,431	4,580	-	30,258
Other revenue	5	-	1	-	207	6	-	219
Total segment revenue	6,806	4,912	3,979	1,557	8,638	4,586	-	30,477
Result								
Segment result	286	1,686	32	(331)	(586)	1,128	(156)	2,058
<i>Unallocated items:</i>								
Other income								1,122
Overheads								(4,751)
Interest								(860)
Impairment of intangible assets								(8,456)
Income tax benefit/(expense)								1,082
Loss for year								(9,804)
Segment assets	2,780	14,275	1,698	4,549	6,135	915	-	30,353
<i>Unallocated assets:</i>								
Cash								1,645
Deferred tax asset								2,850
Total assets								34,848
Segment liabilities	2,796	2,543	1,862	804	2,805	1,797	3,937	16,543
<i>Unallocated liabilities:</i>								
Provision for income tax								257
Deferred tax liabilities								3,019
Borrowings								7,067
Total liabilities								26,886

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES

Notes to the Consolidated Financial Statements for the year ended 30 June 2015

	Print		Digital		Conferencing		Investments	Total
	Australia/ Asia \$'000	Europe \$'000	Australia/ Asia \$'000	Europe \$'000	Australia/ Asia \$'000	Europe \$'000	Australia/ Asia \$'000	\$'000
2014								
Revenue								
Sales	9,427	6,045	4,370	622	9,981	6,010	-	36,455
Other revenue	69	-	-	-	35	-	18	122
Total segment revenue	9,496	6,045	4,370	622	10,016	6,010	18	36,577
Result								
Segment result	1,378	2,223	487	158	(522)	844	(1,181)	3,387
<i>Unallocated items:</i>								
Other income								3,090
Overheads								(6,686)
Interest								(1,133)
Income tax benefit/(expense)								925
Loss for year								(417)
Segment assets	4,188	18,782	1,698	4,225	7,048	1,166	151	37,257
<i>Unallocated assets:</i>								
Cash								1,416
Deferred tax asset								2,468
Total assets								41,141
Segment liabilities	4,014	1,747	1,830	180	3,703	2,498	5,000	18,972
<i>Unallocated liabilities:</i>								
Provision for income tax								343
Deferred tax liabilities								3,207
Borrowings								8,425
Total liabilities								30,947

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Segment information (continued)

Reconciliation of reportable segment profit or loss:

Description of segments:

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

The segments derive revenue from the following products and services:

- The print division derives subscription and advertising revenues from traditional print publications across a number of trade sectors including mining, construction, energy and the resources sector.
- The digital media segment develops and maintains web sites and daily news services covering various sectors including mining, energy and construction. Revenue is derived from subscription, advertising and sponsorships.
- The conferencing division derives revenues from running events and holding conferences in various locations and across a number of sectors.
- The investment division receives revenue from advisory fees and general investment income including fair value gains/losses on non-media share investments held.

These segments are the basis on which the Group reports its segment information.

Segment revenue and expenses:

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

Inter-segment transfers:

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

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES

Notes to the Consolidated Financial Statements for the year ended 30 June 2015

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

	Consolidated	
	2015 \$000	2014 \$000
(a) Basic earnings/ (loss) per share (cents per share)	(1.95)	(0.47)
(b) Diluted earnings/ (loss) per share (cents per share)	(1.95)	(0.47)
(c) Earnings/ (loss) used in calculating earnings per share		
Profit/ (loss) attributable to the ordinary equity holders of the company used in calculating basic earnings per share	(10,558)	(1,116)
Profit/ (loss) attributable to the ordinary equity holders of the company used in calculating diluted earnings per share	(10,558)	(1,116)
(d) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares outstanding during the year used in calculation of basic and diluted earnings per share	541,245,799	238,710,493
Options	-	-
Weighted average number of ordinary shares outstanding during the year used in calculation of diluted earnings per share	541,245,799	238,710,493
Options granted to employees under the employee option scheme are considered to be potential ordinary shares and are included in the determination of diluted earnings per share to the extent they are dilutive. Details relating to the options are set out in note 17.		

25. Capital and leasing commitments

	Consolidated	
	2015 \$000	2014 \$000
Finance lease commitments		
Payable – Minimum lease payments		
Not later than 12 months	-	8
Between 12 months and 5 years	-	-
	-	8
Minimum lease payments	-	8
Less future lease charges	-	-
Present value of minimum lease payments	-	8
Operating lease commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements :		
Not later than 12 months	1,844	1,094
Between 12 months and 5 years	966	1,438
	2,810	2,532

The Group has operating lease commitments relating to offices in Perth, Sydney, London and Hong Kong with these expiring within six months to three years. The other operating lease commitment is expiring in three years and is for photocopier equipment in Perth.

26. After reporting date events

As announced to the market on 5 August 2015, the Group completed an underwritten debt facility that provides \$1.5 million from the issue of convertible notes. The principal terms of the convertible notes include:

- The notes mature in June 2020,
- The notes carry annual interest at the higher of 10% or BBSW + 5%,
- Holders have the option, after December 2015, to exchange a note for:
  - an ordinary share in the Company for a price of the lower of \$0.0175 or the share issue price for any future capital raising before the maturity of the debentures, and
  - an additional option with each share obtained in the conversion, to acquire an ordinary share in the Company at \$0.03 within five years from the conversion date.

27. Contingent Liabilities

The Group is not aware of any contingent liabilities existing at the end of the financial year or at the date of this report that will significantly affect the operations or the state of affairs of the Group in future financial years with the exception of a contingent tax liability with respect to certain legal entity residence applications (see note 6).

In the directors' opinion:

1. the financial statements and notes set out on pages 33 to 84 are in accordance with the *Corporations Act 2001*, including:
  - a) complying with Australian Accounting Standards, the *Corporations Regulation 2001* and other mandatory professional reporting requirements; and
  - b) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the financial year ended on that date; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

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

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

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



A. Kent  
Managing Director  
Perth  
30 September 2015

## INDEPENDENT AUDITOR'S REPORT

To the members of Aspermont Limited

### Report on the Financial Report

We have audited the accompanying financial report of Aspermont Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

#### Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

#### Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which

has been given to the directors of Aspermont Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

#### Opinion

In our opinion:

- (a) the financial report of Aspermont Limited is in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

#### Emphasis of matter

Without modifying our opinion, we draw attention to Note 2 in the financial report, which describes the principle conditions that raise doubt about the consolidated entity's ability to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

#### Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

#### Opinion

In our opinion, the Remuneration Report of Aspermont Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd



Ian Skelton

Director

Perth, 30 September 2015

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ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES  
 Additional Information for Listed Public Companies (as at 17 July 2015)

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

a) Shareholding

Ordinary Share Capital

724,918,019 (2014: 427,568,690) shares are held by 353 (2014: 340) individual holders. All issued ordinary shares carry one vote per share.

Distribution of Shareholders Number

Category (size of holding)

	Ordinary shares	
	2015	2014
1 – 1,000	48	47
1,001 – 5,000	20	21
5,001 – 10,000	58	60
10,001 – 100,000	97	101
100,001 – and over	130	111
	<u>353</u>	<u>340</u>

The number of shareholdings held with less than marketable parcel is 192 (2014: 146).

b) Share Options (Unquoted)

Number of Options	Number of Holders	Exercise Price	Date of Expiry
21,250,000	4	15c	30 October 2015
5,000,000	1	15c	30 October 2016

c) Company Secretary

The name of the Company Secretary is Mr John R. Detwiler.

d) Principal Registered Office

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

e) Register of Securities

The register of securities is held at the following address:  
 Advanced Share Registry  
 110 Stirling Highway, Nedlands, WA 6009

ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES  
 Additional Information for Listed Public Companies (as at 17 July 2015)

f) Stock Exchange Listing

Quotation has been granted for all of the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited under the symbol ASP.

g) Substantial Shareholders

	Name	Number of Ordinary fully paid shares held	% Held of Issued Ordinary Capital
1	Mr. Andrew Kent and beneficial interests	399,924,135	55.17%
2	Mr. John Stark and beneficial interests	77,387,000	10.68%
3	Cannavo Investments Pty Ltd	22,098,361	3.05%

h) 20 Largest Shareholders – Ordinary shares

	Name	Number of Ordinary fully paid shares held	% Held of Issued Ordinary Capital
1	DRYSDALE INVESTMENTS LIMITED	229,644,500	31.68
2	ILEVETER PTY LTD	103,217,135	14.24
3	BLUE SEA INVESTMENT HOLDINGS	57,500,000	7.93
4	ALLAN DALE REAL ESTATE PTY LTD	50,795,000	7.01
5	CANNAVO INVESTMENTS PTY LTD	22,098,361	3.05
6	MR JOHN STARK	18,252,000	2.52
7	GLACIER MEDIA INC	17,274,634	2.38
8	GINGA PTY LTD	17,000,000	2.35
9	YARANDI INVESTMENTS PTY LTD	15,846,316	2.19
10	BLACKCOURT (NSW) PTY LTD	15,000,000	2.07
11	MR ALAN COWEN	10,067,712	1.39
12	ANNIS TRADING LIMITED	9,562,500	1.32
13	CITICORP NOMINEES PTY LIMITED	8,362,513	1.15
14	DEBUSCEY PTY LTD	8,339,368	1.15
15	NPV (WA) SECURITIES PTY LTD	7,675,100	1.06
16	MR ROBERT MILLER	6,962,706	0.96
17	A & C GAL INVESTMENTS PTY	5,656,553	0.78
18	ALLAN DALE REAL ESTATE PTY LTD	5,000,000	0.69
19	PANNIN PTY LTD	4,773,615	0.66
20	MR COLM JOHN O'BRIEN	4,000,000	0.55
		<b>617,028,013</b>	<b>85.12%</b>