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Aspermont
Information for Industry

FY19 Results

November 2019

www.aspermont.com



The leading media services provider to the global resources industry

Aspermont is ASX listed with offices in Australia, UK, Brazil, North America and the Philippines

The Company's focus is on global media leadership in the Mining, Agriculture, Energy and Technology sectors

The company has invested 20 years in building a commercial model for B2B digital media distribution that is founded on providing high value content to a global subscriber base. The B2B model is scalable as to new countries, new commodity sectors and in new languages

Aspermont is now the dominant player in B2B media for the resources sector



Minjng Journal

Minjng Magazine 

 **Notícias de Mineração Brasil**

RESOURCESTOCKS

AMERICAS MINING AGENDA 

MN
MiningNews.net

AUSTRALIA'S
MINING
MONTHLY

 **ENB**
energynewsbulletin.net

PNG 
PNGIndustryNews.net

KONININ GROUP'S
Farming
Ahead
INDEPENDENT INFORMATION FOR AGRICULTURE

 **Research & Intelligence**

Overview

Evolving business, more and more, to value-add solutions

4



1. Legacy Business Turnaround

Bringing advertising business back into growth, clearing balance sheet debt, closing legal cases, restoring profitability



2. Premium Audience Build

Developing a high performance SaaS business with improved retention and expanding pricing depth



3. Multi-Media Opportunity

Launching media services across all mediums print, email, desktop, mobile, tablet and face2face



4. End to End Client Marketing

360-degree solutions for clients in content development, content marketing, branding and awareness, networking and lead generation

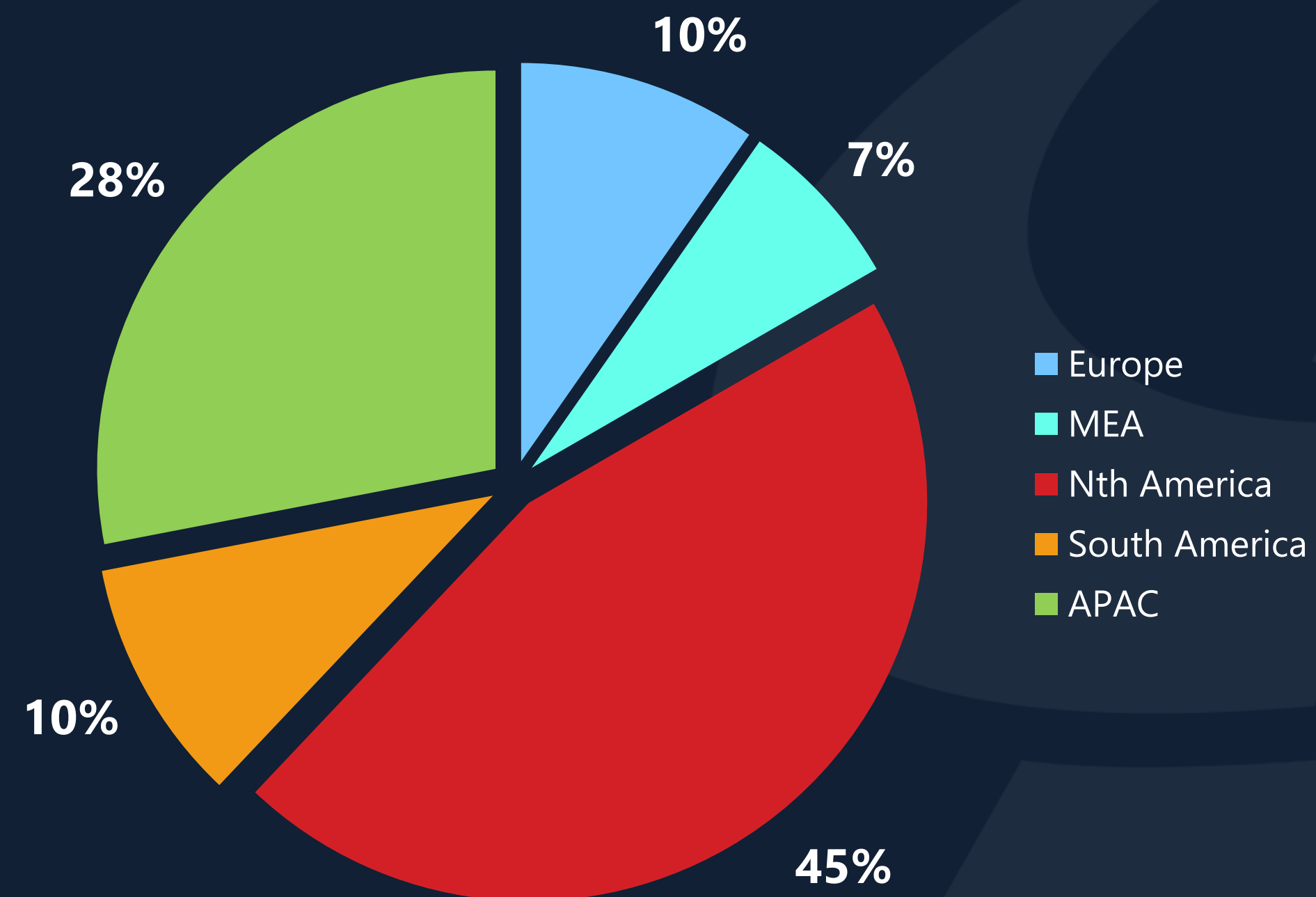
Building the network effect to drive growth

5

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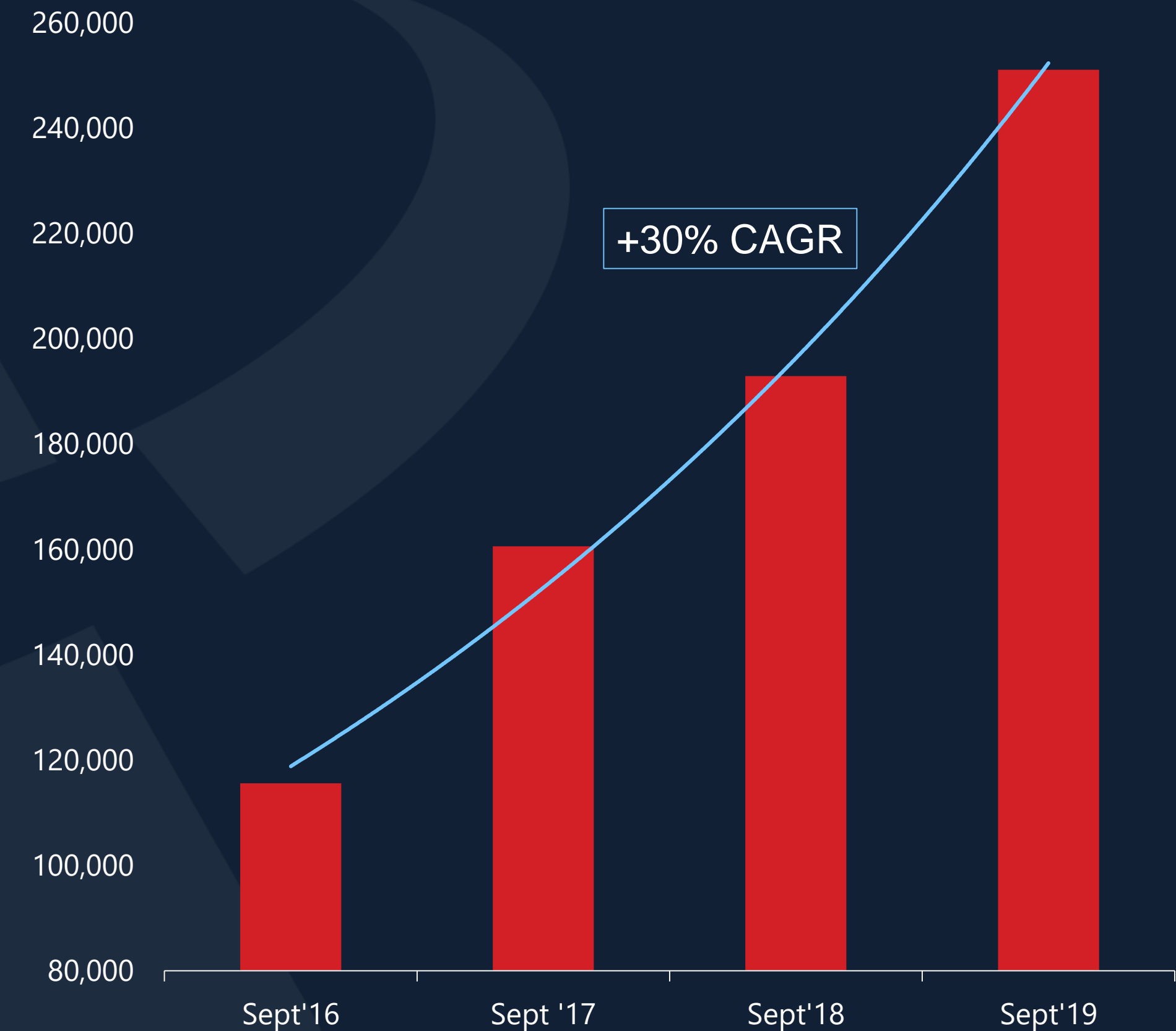
7.5million

Board and Senior Management Contacts
In Mining, Energy & Agriculture



Aspermont has in the last few years built a large and highly monetizable, network of senior contacts in its sectors

Monthly Active Users (MAU)



Exponential growth in MAU, in context of Aspermont's premium paywall fees, show powerful high-quality audience build

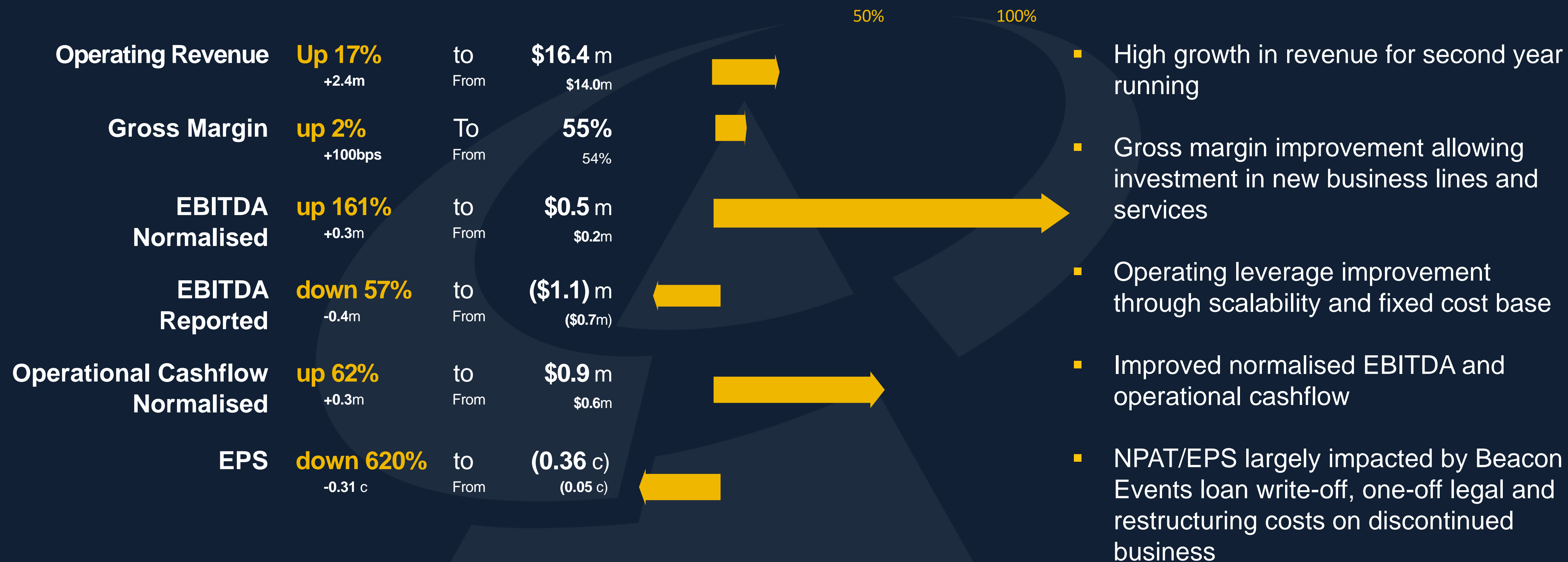
FY19 stated execution priorities and how we performed

KEY OBJECTIVE	MEASUREMENT	RESULT
Drive High Growth in New Business Lines	Events Revenue	+\$1.3m / +108%
	Research / Intelligence Revenue	+\$0.3m / +166%
	Lead Generation Revenue	+\$0.05m
Launch V5 Technology Platform	Hot + Warm (audience) leads	+38k / +332%
Accelerate Subscriptions Growth	Annual Contract Value	+\$0.7m / +10%
	Lifetime Value	+\$3.0m / +7%
Develop Portfolio Sales Approach	Average Revenue Per Client	+\$2.1k / +20%

Financials

FY19 – solid growth and margin expansion

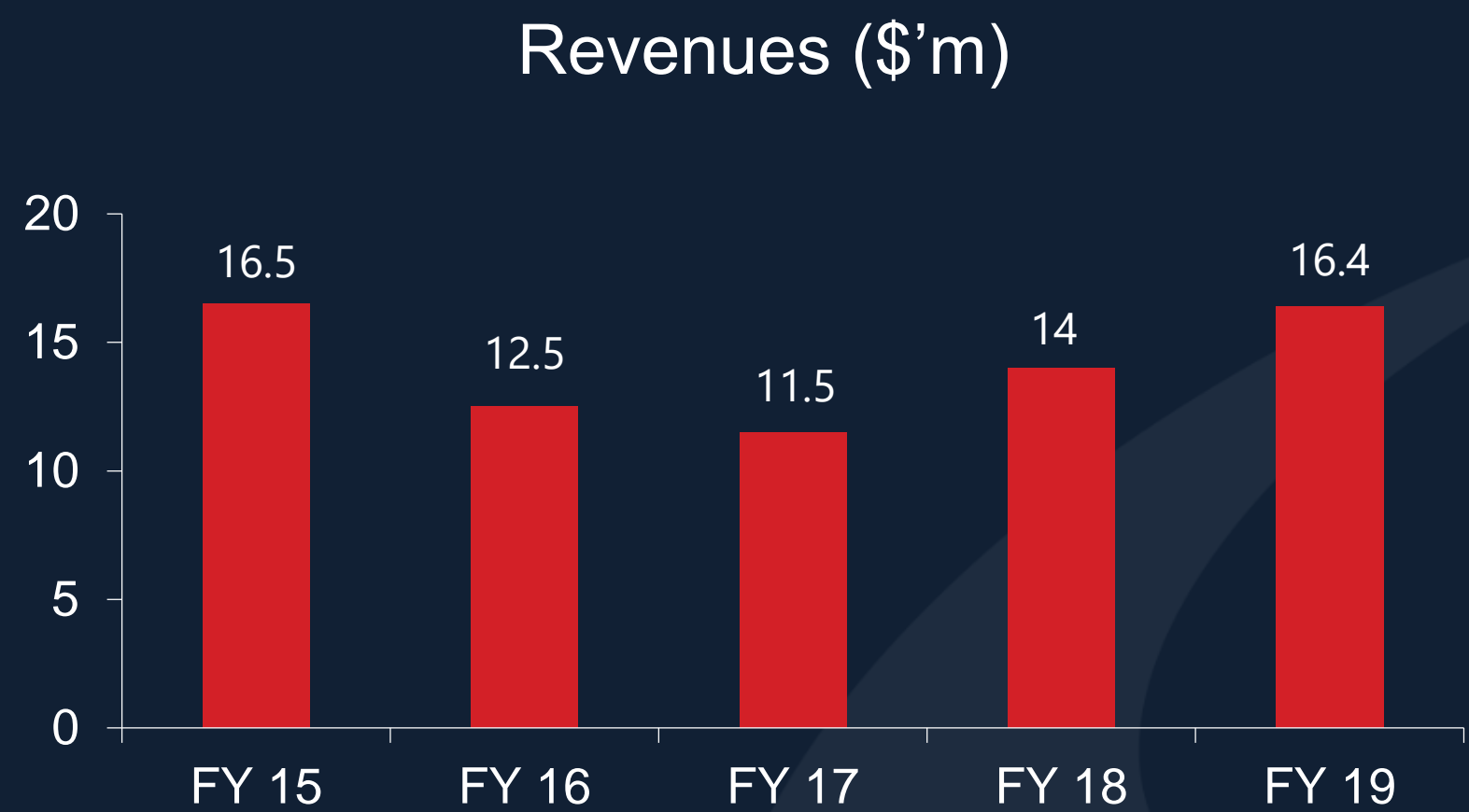
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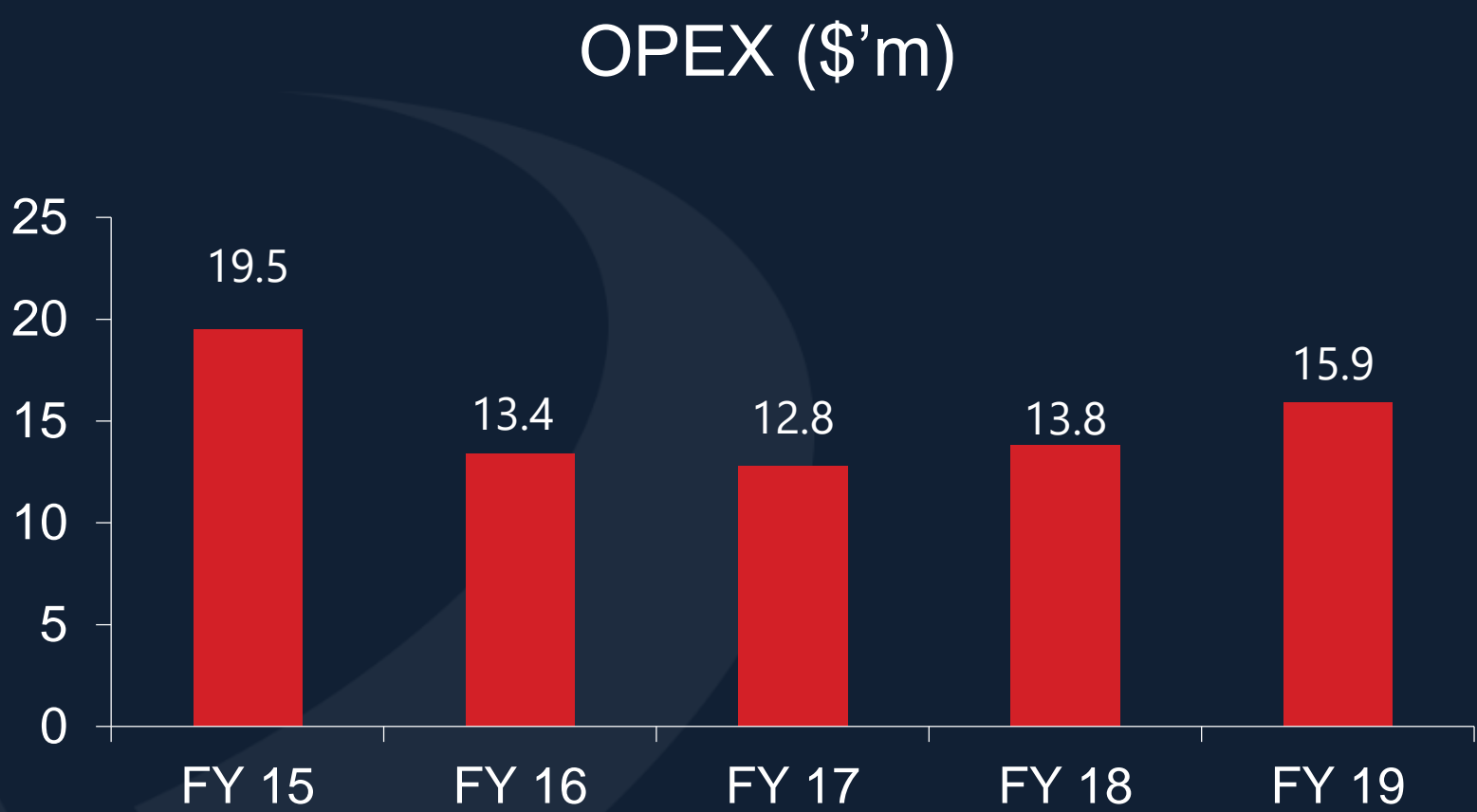
Note to accounts:

- All results are on a continuing operations basis and like for like for the 12 month period
- Gross margin is internally measured after all selling, distribution and operating costs excluding Group and Corporate costs
- Normalised EBITDA & Cashflow excludes one-off transformation, discontinuation, exceptional legal costs and establishment costs of new business lines

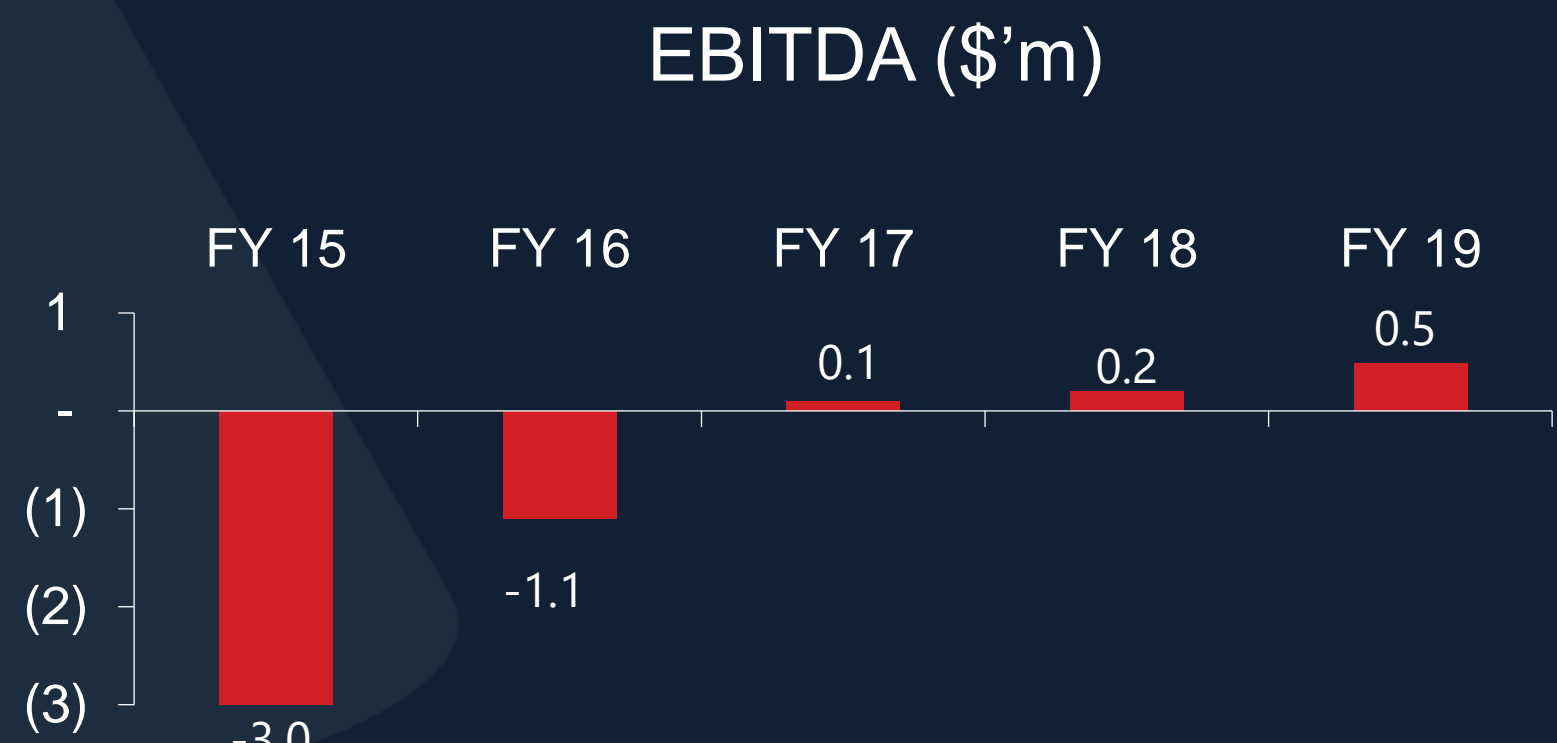
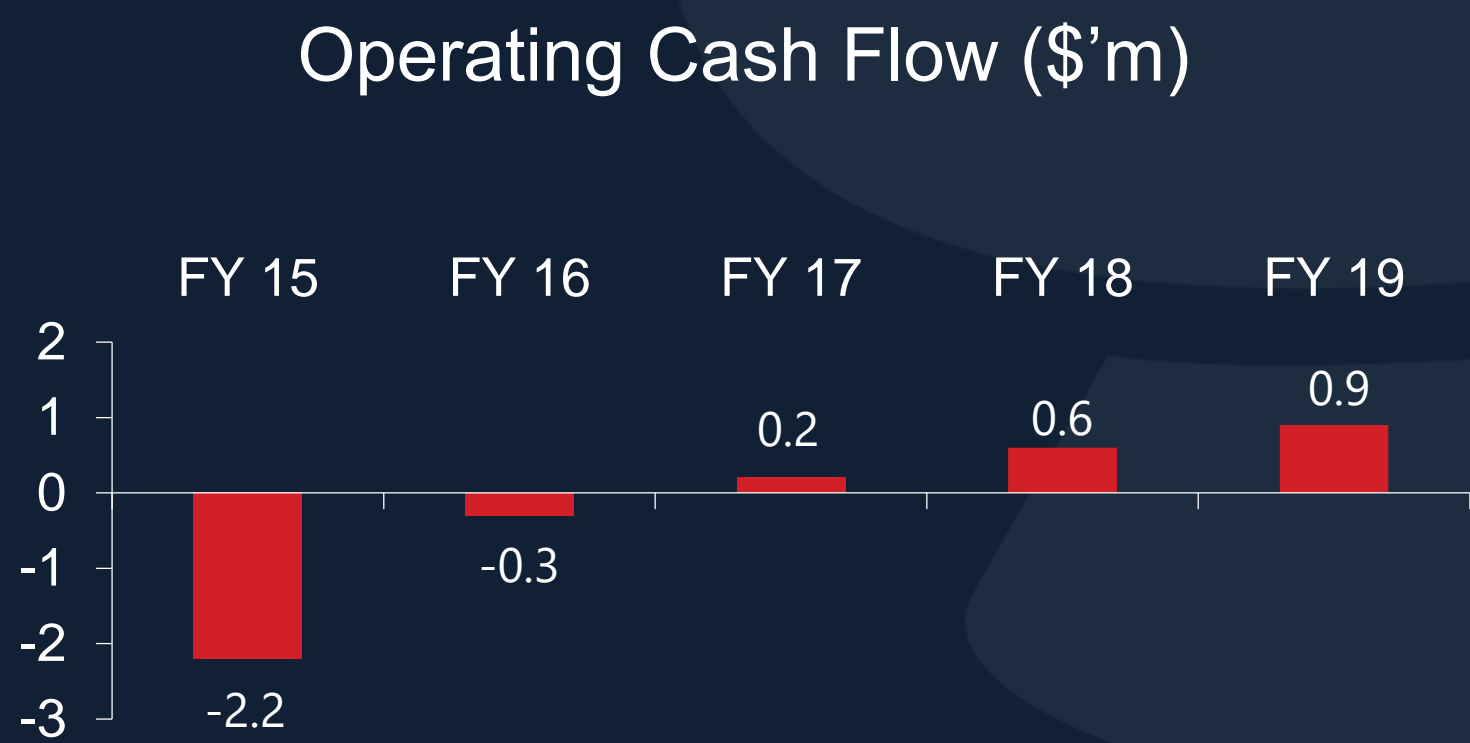
Growing and increasingly cash generative



2 years growth returning revenue to FY15 levels



Centralization, outsourcing and offshoring building efficiency




Operational cashflow, earnings and margins growing

13 quarters of consistent subscriptions momentum

	As at June'16	As at Sept '19	Compound Annual Growth Rate (CAGR)
Number of Subscriptions	7,158	8,171	4%
Average Revenue Per Unit (ARPU)	\$623	\$938	13%
Annual Contract Value (ACV)	\$4.5m	\$7.5m	17%
Web Traffic (Sessions)	3.8m	5.4m	11%
Web Traffic (Users)	1.1m	2.6m	30%
Loyalty Index	41%	58%	11%
Renewal Rate	73%	84%	4%
Lifetime Years	3.7	6.1	17%
Lifetime Value	\$16.5m	\$45.2m	36%

Rapid growth of all metrics driving high performance ACV & LTV

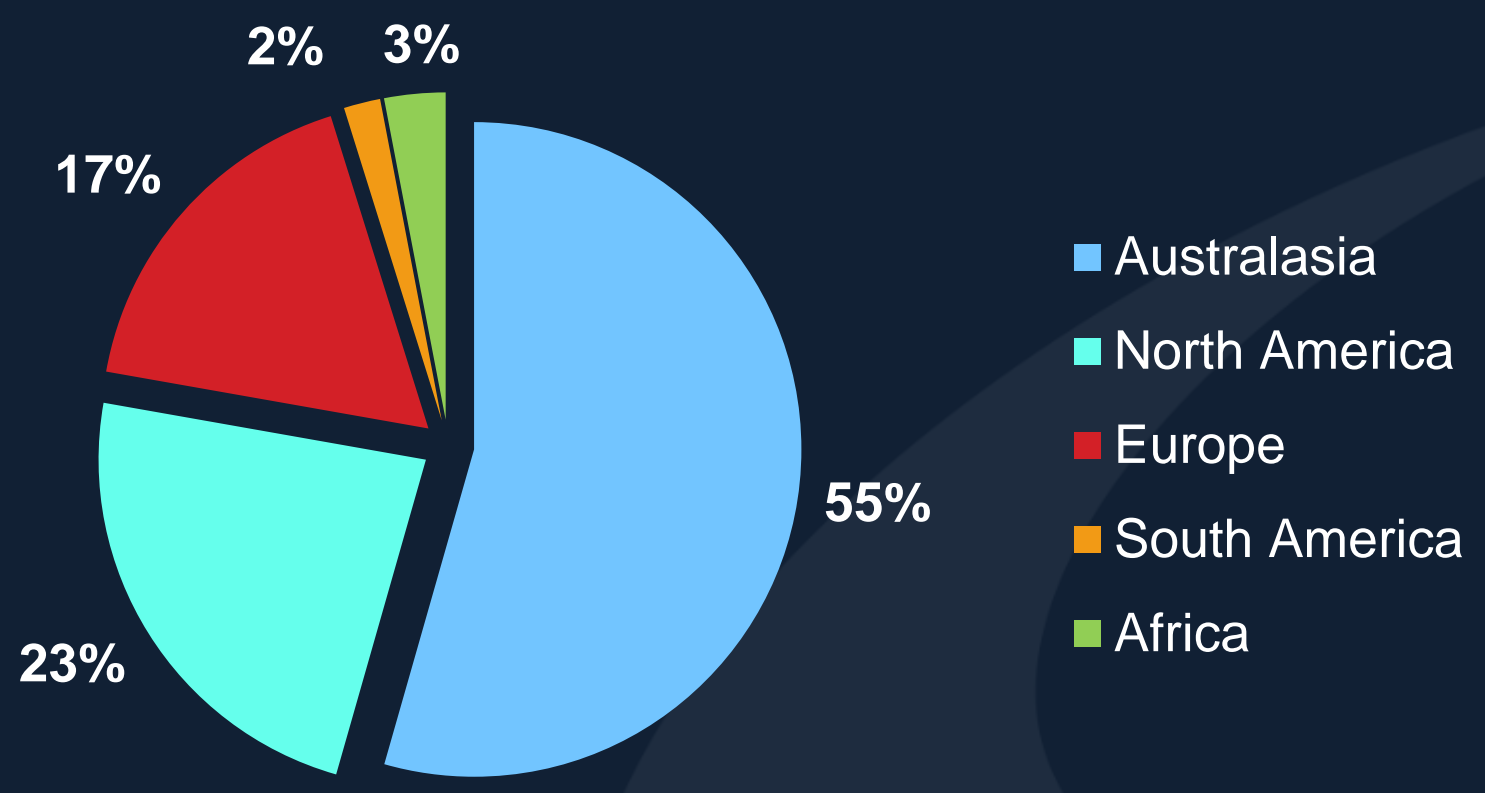


Aspermont market capitalization is less than half the current LTV of subscriptions alone

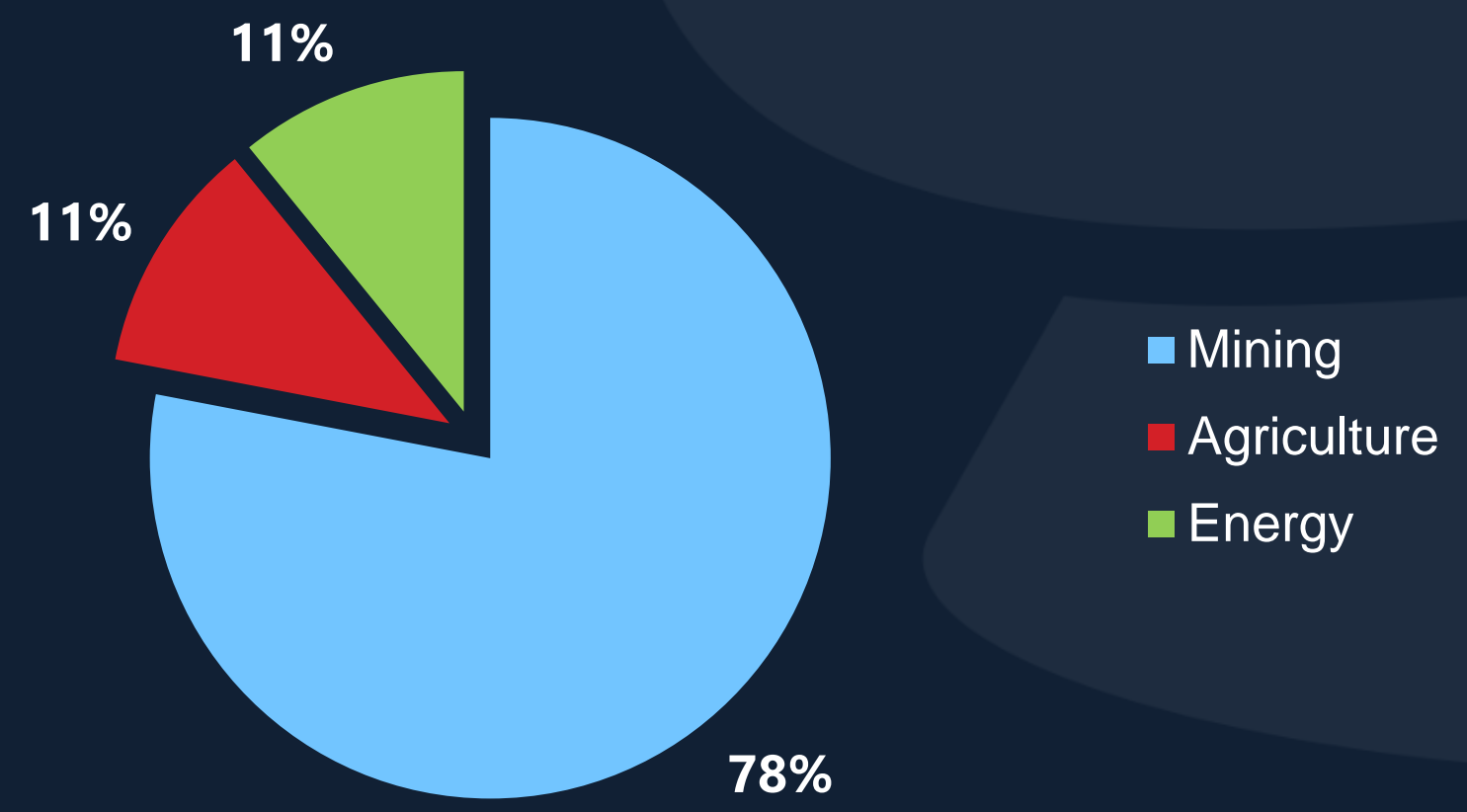
Revenue profile increasingly diversified in geography, sector and type

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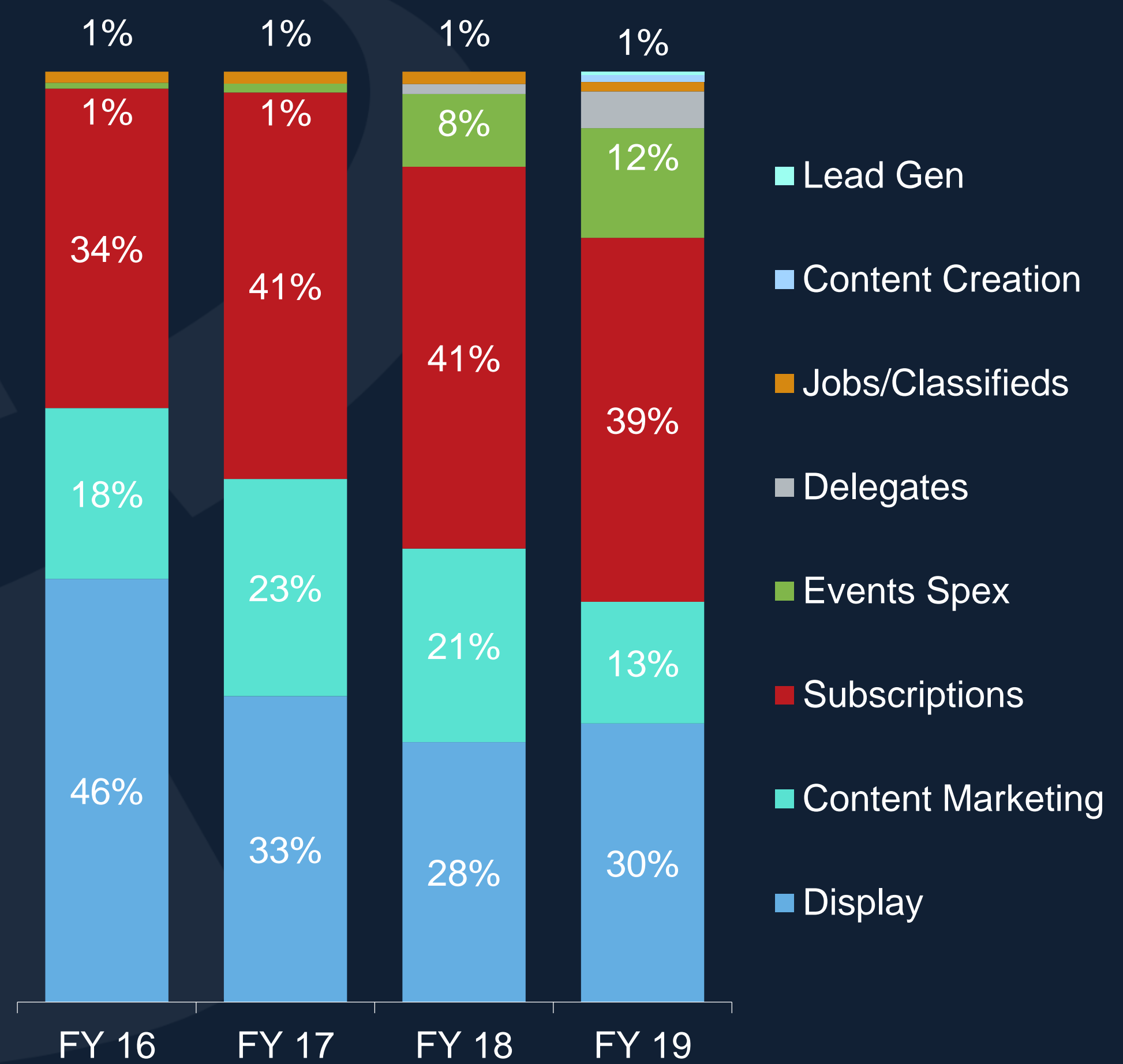
Revenue by Geography



Revenue by Sector



Revenue by Source



Cashflow waterfall



Balance Sheet

13

All figures in AUD \$'000

Total assets	June '16	Sept '18	Sept '19
Cash and cash equivalent	1,795	2,059	727
Trade and other receivables	3,734	1,858	1,379
Total Current Assets	5,529	3,917	2,106
Property and equipment	155	124	1,516
Intangible assets	17,729	8,842	8,827
Deferred tax & other assets	3,292	2,346	1,519
Other Receivables	-	5,480	-
Total Non Current Assets	21,089	16,792	11,862
Total Assets	26,618	20,709	13,968

Total Liabilities	June '16	Sept '18	Sept '19
Trade and other payables	7,235	4,502	3,553
Income in advance	5,788	4,193	4,702
Borrowings	5,141	-	43
Tax liabilities & Other	373	-	541
Total Current Liabilities	18,537	8,690	8,839
Borrowings	3,120	-	-
Deferred Tax liabilities	3,129	2,272	1,519
Provisions and other payables	657	76	976
Total Non Current Liabilities	6,906	2,348	2,495
Total Liabilities	25,443	11,038	11,334
Net Assets	1,175	9,671	2,634

Shareholders Equity	June '16	Sept '18	Sept '19
Issued capital	56,443	67,744	7,441
Retained losses	(43,905)	(46,191)	(2,981)
Other reserves	(11,353)	(11,882)	(1,826)
Shareholder Equity	1,175	9,671	2,634

- The strong cash position and Balance Sheet underpins the expectation for further growth and the ability to take advantage of future opportunities as they are presented
- Other receivables is the loan receivable from Beacon Events JV which was written down following legal settlement this year
- Borrowings reduced by \$8.2m from 2016 to almost nil

- Intangible assets impacted by write-off of goodwill on disposal of events business and further prudent impairment of historical acquired goodwill
- Income in advance associated with pre-paid subscriptions and events that will be recognized in the next FY
- Other Liabilities relates to lease liability for remaining term of leases

- A. Increase in share capital through converting debt into equity and funds raised through placement
- B. Tax losses available future proofs profit expansion and taxes payable
- C. The Company applied provisions of s258f of the Corporations act. The adjustment resulted in reduction in share capital account and accumulated losses. This is a technical adjustment which does not impact the net assets, financial results, cashflow or funding of the Company and Group. The number of shares in issue will not change as a result of the capital reduction.

Business description

Market leading competitive strengths

15

Aspermont's products are established market leaders. The company pioneered digital paywall models since the birth of the internet era. The company has developed sophisticated system to drive exceptional audience growth and built an increasing set of monetization tools for its clients. The company is focused on remaining ahead of the trends and needs of its markets.

Brand Strength

Our 560 years heritage supports successful product, channel and brand extensions

Market Leadership

Leading content provider to global resources sector with direct access to CXOs within the industry and its supply chain

Leadership Team

Tier 1 executive and management team with strong skills sets and experience in media-tech industry

Innovation Leaders

First adopters in digital paywall; disruptors in semantic search; pioneers in marketing automation and new client services solutions

Technology Platform

Next generation platform gives omnichannel advantages and deep behavioral data analysis capabilities

Scalability

Centralized, digitized, outsourced and offshoring operational structures provide low marginal cost base for growth

Hybrid media-tech model enables growth and scalability

16

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Old B2B Media

Significant Brand Equity
Quality Content Focus
Retrenching Key Talent

Print Revenue Based
In-House Sales Team
Premium Rate Cards

Behind Tech Curve Manual
Systems

Controlled Circulation
Audience Declining

Declining Profitability
High Fixed Cost

Hybrid Model

Significant Brand Equity
Content Quality & Volume Focus
Investing in Key Talent

Multi-Medium Revenue Based
In-House Sales Team
Premium rate Cards

Ahead Tech Curve
Systems Automation

Paid Only Content Model
Niche Audience Growth

Growing Profitability
Scalable Cost Base

New B2B Media

No Brand Equity
Content Volume Focus
Freelancer Model

Digital Revenue Based
Ad Network Dependant
Low Value Rate Cards

Ahead Tech Curve Systems
Systems Automation

Free / Metered Content
High Growth Audience

Loss Leaders
Scalable Cost Base

Print risk mitigated and repositioned as a premium product

Diverse and multi-dimensional revenue base

Deepening client relationships with significant spend development

Technology and systems driving high performance growth in audience and client services monetization

Blue chip client base of industry leaders with large spend capacity

17

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COMPANIES

MINING



ENERGY



STEEL



SUPPLY CHAIN

MACHINERY



ENGINEERING



EQUIPMENT



FINANCIAL SERVICE

BANKING



INVESTMENT SERVICES



INSURANCE



SERVICES

ACCOUNTING



LEGAL



MANAGEMENT CONSULTANT



TECHNOLOGY



Note:

Aspermont is continually developing and delivering new products and monetisation tools to its clients. Average Revenue Per Client (ARPC) grew by a decent 20% in FY19 but has a far greater distance to go. Owing to our new end-to-end marketing services suite the company is starting to win much larger scale contracts than before. As the momentum builds overtime there should be a significant growth breakthrough in these revenue streams.

Growth strategy and execution

Aspermont is a business with three growth horizons

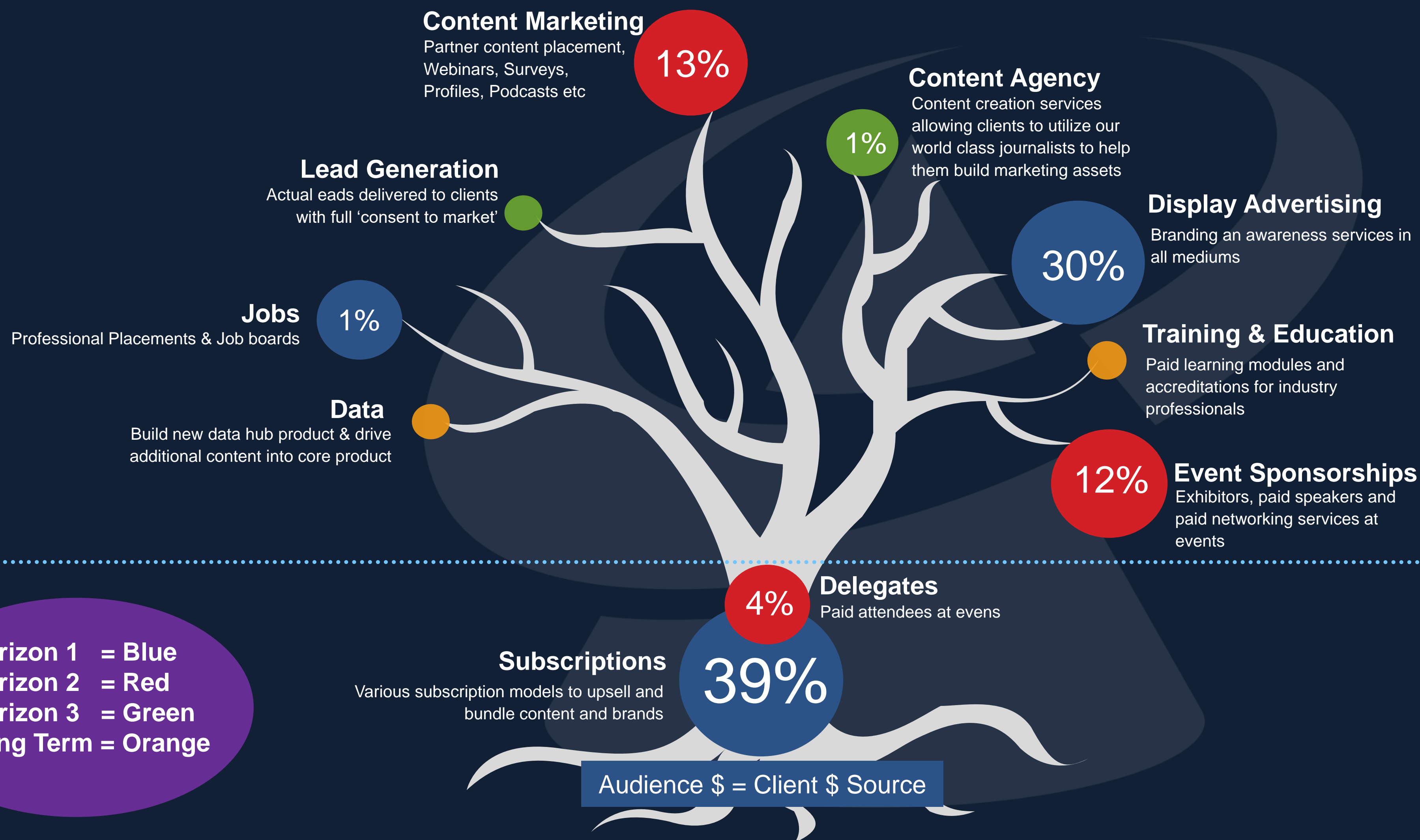


Focus	Defend and extend current core business	High Growth Business	Future Business
Output	Immediate gain in revenues/profits Today's cashflow	Nurturing emerging business Foundation for 2-5yr growth Tomorrow's cashflow	New business creation Foundation for 5+ years growth Loss leader / investment \$'s
Divisions	Display advertising Subscriptions Classifieds	Events Content Marketing Research North American market	Data services Lead generation Content agency Multi-lingual services Asia / Africa / LATAM markets
People & Skills	Business maintainers	Business builders	Champions and visionaries

Focused on building paid audiences and leveraging them for client revenues

20

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Horizon 1 = Blue
Horizon 2 = Red
Horizon 3 = Green
Long Term = Orange



New Business Streams Coming Online

Two New Business Line Launches in FY20
Responding to client marketing needs and developing bespoke solutions

Content Agency

Utilising award winning inhouse journalists and designers to create content and marketing assets for clients to use across Aspermont's and other networks



Lead Generation Services

Utilising content marketing campaigns to drive fully qualified, GDPR compliant, marketing leads to clients



Scalable growth achieved through expansion of content and sales resources 22

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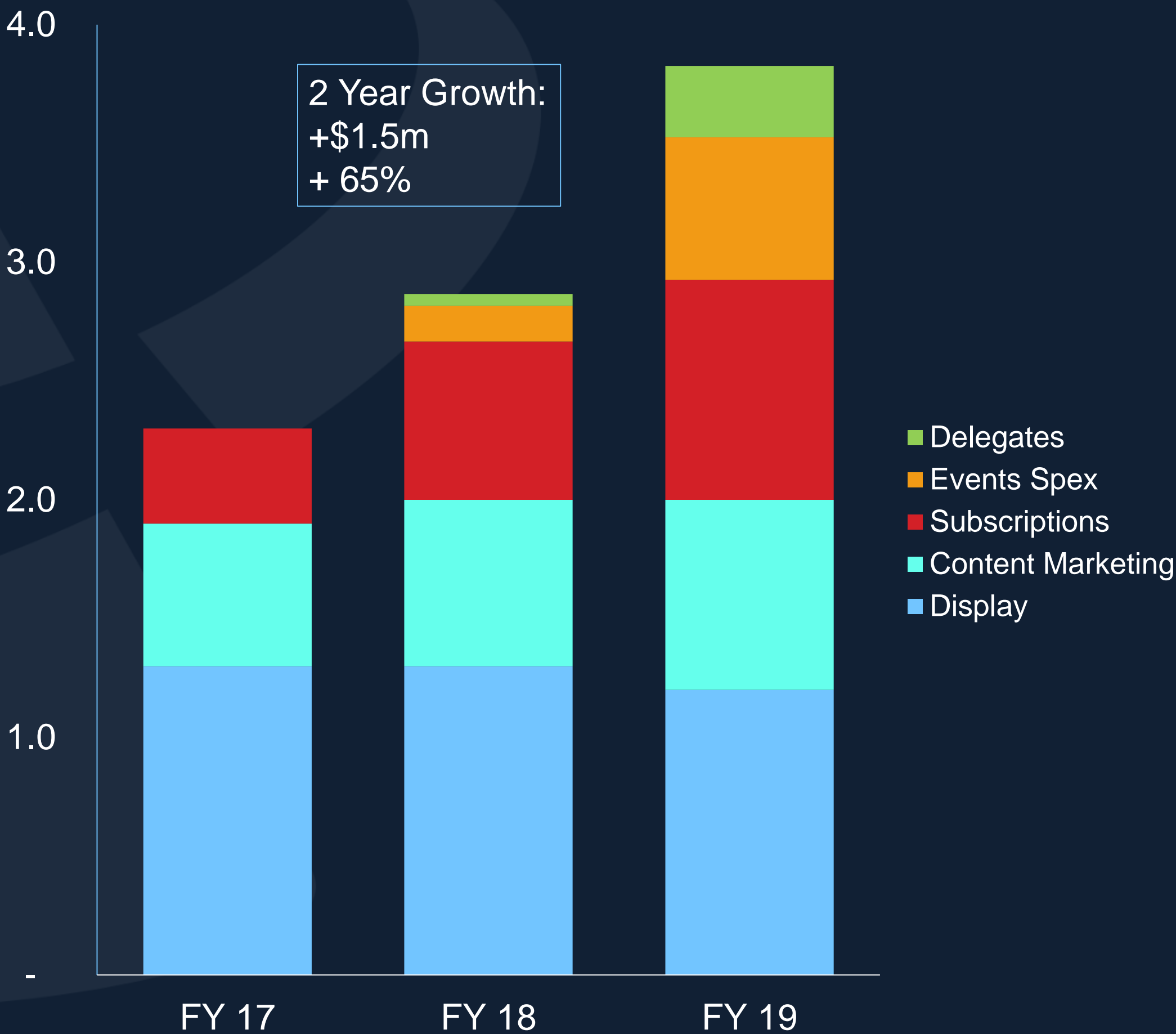
- 1 Scale content services to new geographies
- 2 Leverage multi-lingual platform capabilities
- 3 Build content services in new sectors

North American market development

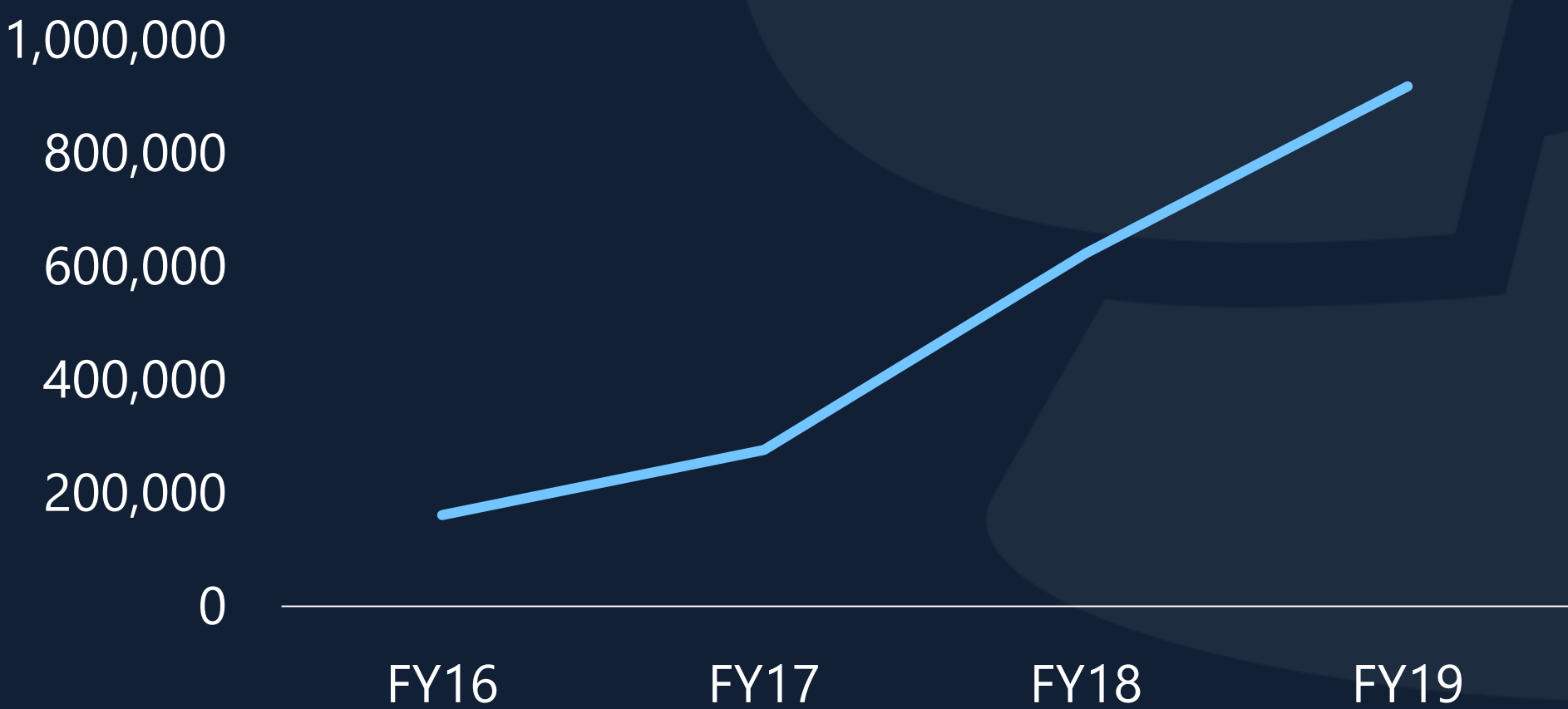
Increased regional headcount

Nth Am FTEs	2017	2019
Sales	2	4
Content	1	3
Ops/Marketing	1	1
Total	4	8

Growing & diversifying revenue profile (\$'m)

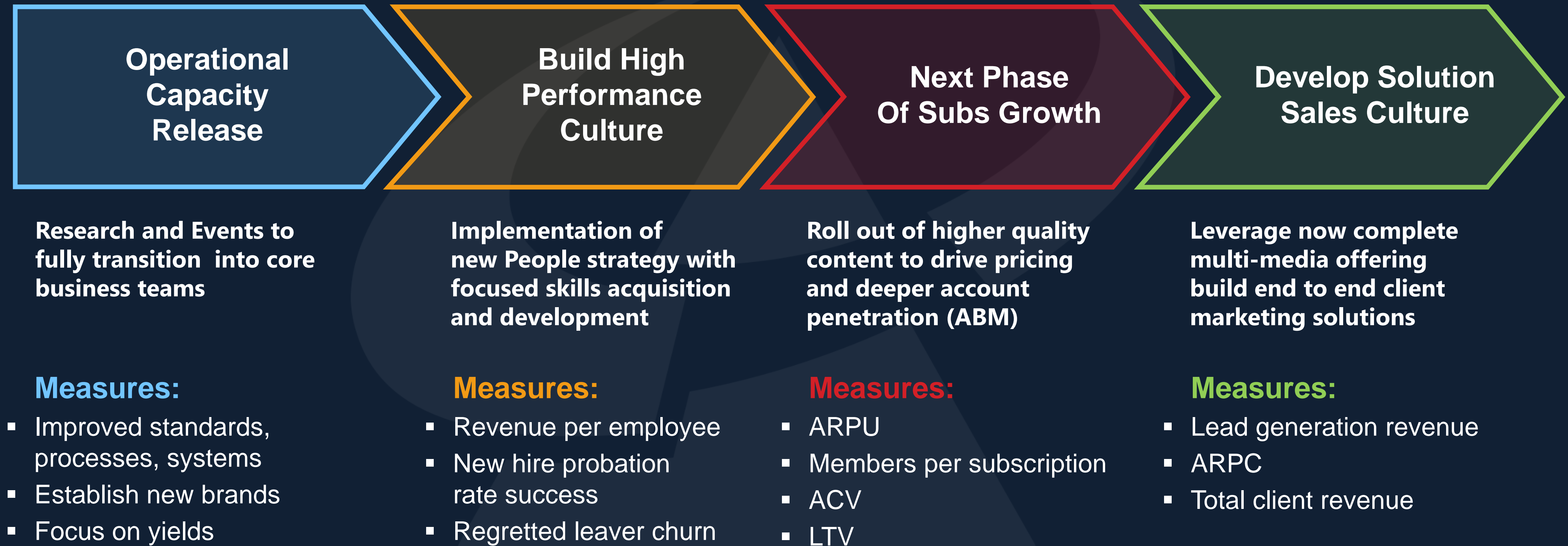


Active digital users in region



Our FY20 execution priorities and how investors can measure us

24



The outlook for next year remains one of high growth

25

- We have a proven operating model
- With a consistent track record of:
 - Top line growth
 - Improving bottom line
 - Expanding margins
- Our unit economies are good
- The cost base is relatively stable and our key people foundations are in place
- Consequently our outlook is for:
 - Continued top line performance
 - Improving bottom line
 - Continued margin expansion

Conclusion

26

- 3-year transformation complete
- Aspermont is now the world's leading media services provider to global resources industry
- Company has clear and substantial growth strategies and is leveraging its content and technological expertise; to aggressively expand the business across geographies and sectors
- High performance SAAS based subscription model with
 - Growing profitability;
 - High quality revenues and
 - World leading customer endorsements
- Relentless focus on executing growth opportunities with highly capable and aligned board and management team
- Strong financial performance is expected to follow

Investment rationale

27

1. Digital media platform can upscale growth by country, by language and by sector
2. Successful management team is delivering growth against plan
3. Strong and sustainable growth in subscriptions drives growth momentum in client services business
4. Elimination of debt and strong balance sheet give clear visibility to forward projections
5. Higher growth and new products are being financed from cash flow

Audience Development

	June'16	Sep'19
Number of Subscriptions	7,158	8,171
Average Revenue Per Unit (ARPU)	\$623	\$938
Renewal Rate (%)	73%	84%
Annual Contract Value	\$4.5m	\$7.5m
Lifetime Value (LTV)	\$16.5m	\$45.2m
Digital Users	1.1m	2.6m
Event Attendees	-	1,532

Financials

	June'16	Sep'19
Group Revenue	\$12.6m	\$16.4m
GP Margin	48%	55%
EBITDA	(\$1.1m)	\$0.5m
Cash Flow from Ops	(\$0.3m)	\$0.9m
Net Debt	\$8.2m	\$0.0m

Market Capitalisation

\$9.6m

\$23.3m

For further information

28



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Appendix

Experienced leadership team able to execute

30



Ajit Patel

Chief Operating
Officer

Ajit has more than 30 years of experience in technology; working across digital media, events and research. Previously Ajit was the CTO for Incisive Media, where he was responsible for infrastructure, software development, online strategy and large scale systems implementation.

Ajit came to Aspermont to help deliver the technological base to enable the company to deliver on its long-term solution. He is now responsible for all services departments including marketing.



Alex Kent

Group Managing
Director

Alex joined Aspermont in 2007 having spent the early part of his career at Microsoft.

Starting with the creation of a semantic search division for the company he has since worked in all areas of the Aspermont Group. His prime skills sets of technology and marketing saw him hold the role of Group CMO prior to becoming Managing Director.

Alex has BSc degrees in Economics, Accounting and Business Law. He has been a key driver of the overall vision for the company and its deep-seated technological focus.



Leah Thorne

Group People Director

Leah joined Aspermont in 2018 with over 18 years experience in HR. Prior to joining, Leah had led a number of HR functions within technology start up environments and supported their transition to become more established, efficient businesses. She also headed up European Talent Development at Activision Blizzard where she had a strong focus on leadership development and the digital transition. Leah's role at Aspermont will see her developing and executing our People Strategy, to support both the overall business strategy and high growth phase the company is in.



Matt Smith

Chief Commercial
Officer

Matt has over 20 years of experience in global media sales. His previous role was President at International Data Group (IDG), the world largest technology media organisation, where he directly managed and led the global demand generation business and data strategy. His role at Aspermont is newly created and gives him full remit over all the company's commercial activities. Specifically Matt will be focused on building a truly solution-sales based culture and framework within Aspermont to enable the company to maximise on its wealth of client sponsorship opportunities



Nishil Khimasia

Chief Financial
Officer

Nishil has significant and relevant experience in financial management, business development and transformation in entrepreneurial growing companies in the global B2B sector. Over the past 8 years Nishil held CFO and General Management positions at Equifax UK & Ireland, part of Equifax Inc., one of the world's largest information solutions providers, with responsibility for developing UK & Ireland business.

Capital Structure

31

Shares on issue	2.1b	
Options on issue	323m	@3 cent
	10m	@1 cent
Unlisted Performance Rights	89.5m	
Market Capitalisation	23.3m	
Substantial Shareholdings	15.7%	Drysdale Investments Limited
	13.1%	Allandale Holdings Pty Ltd
	12.3%	Mega Hills Limited
	7.6%	Annis Trading Limited

Glossary (SaaS Metrics)

Number of Subscriptions

Number of live subscriptions at end of period

8,171

Average Revenue Per Unit (ARPU)

Annual Contract Value / Number of Subscriptions

\$938

Annual Contract Value (ACV)

Aggregate contract cash value of all live subscriptions at the end of a period

\$7.5m

Sessions

Total number of web sessions over a trailing twelve month basis

5.4m

Users

Total number of users who initiated at least one web session over a trailing twelve month basis

2.6m

Loyalty Index

Internal metric analysis of subscriber loyalty through their engagement

58%

Renewal Rate

Volume of subscriptions renewed over trailing twelve month basis (i.e. the inverse of Churn Rate)

84%

Lifetime Years (LY)

Average lifetime of a subscription = $1/\text{Churn Rate}$

6.1 years

Lifetime Value (LTV)

Aggregate of present and future value of all subscriptions = $(\text{Lifetime Year} \times \text{Annual Contract Value})$

\$45.2m

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