

SHAREHOLDER UPDATE Q1 / 17

Aspermont Returns to Profitability

Q1 Key Points

- Return to profitability in Q1.
- 33% Revenue Growth (\$1.2m YOY) on continuing businesses.
- 97% EBITDA improvement (\$1.1m YOY).
- Mining Magazine paid subscriber numbers +100% in FY16 and +13% in Q1.
- Advertising revenues for Mining Magazine highest for Q1 since 2012.
- Events revenues for Q1 sets new Aspermont record.
- EGM to be held 30th September 2016 to approve equity placement and debt conversion.
- \$10 million in new equity and debt restructuring to complete early October.
- Beacon Events arbitration hearing concluded with judgment expected in October.

Overview

Aspermont is a digital media business with a technology base that supports a range of global market leading mastheads with particular focus on the resources and energy sectors.

The company has completed a major restructuring of its operations having achieved transformation to digital publishing from print, severely reduced operating costs and is resolving a major impediment to its Events business.

Aspermont is also finalising a complete restructuring of its capital base through the raising of new equity, repayment of bank debt and conversion of shareholder loans to equity with resolutions set down for its EGM on 30 September.

The restructuring is coinciding with what may be a cyclical recovery in resources sector activity that is providing positive sensitivities for a number of the company's revenue streams.

These actions made FY16 a major turnaround year for Aspermont. Over the next 18 months we will focus on building on Aspermont's dominant position in global mining media services.

In emerging from a multi-year loss making position FY17 has started well and we are ahead of plan.

Q1 Financial Performance on continuing businesses (Year On Year (YOY) comparison)

| | Forecast Q1 | YOY Variance | YOY Growth |
|----------------------------|-------------|--------------|------------|
| Group Total Revenue | 5,069 | 1,256 | 33% |
| Total Costs | 5,049 | (99) | 2% |
| Total EBITDA | 20 | 1,157 | 97% |

Q1 YOY revenue improvement factors:

1. New content hub solutions help drive growth in digital advertising.
2. Launch of Mines and Money in Toronto.
3. Recovery of aggregate advertising revenues in all key products.

Q1 YOY EBITDA improvement driven by:

1. High Revenue-to-EBITDA conversion of digital revenues.
2. Total cost reduction of 12% in publishing business.

Subscriptions

Despite the disposal of some non-core products last year, aggregate subscriptions revenues saw overall growth underlining the strong performances of our core products. While Q1 revenue performance was flat YOY, there are important new developments in the pipeline as we fine-tune our model to provide new and primary growth initiatives for the next year. These initiatives will launch in Q2.

Mining Magazine Break-out

Mining Magazine which, after 100+ years in print finally went digital 22 months ago, is delivering high growth with both paid members and monthly subscriptions revenues. The product was the subject of our most ambitious audience growth plans last year and we expect to see continued high growth over FY 2017.



Over the last 12 months, Mining Magazine has more than doubled its paid membership

Advertising

Last year advertising revenues met serious headwinds as market conditions created spend sensitivities. But we continued our structural transition of print to digital spend to facilitate greater flexibility in client marketing goals.

Throughout this period Aspermont has continued to invest in our technology to build agile, multi-channel publishing solutions that enable Aspermont to offer some of the most sophisticated cross media client marketing solutions in the industry today.

We successfully launched our first content hub in May and have subsequently launched several smaller topic hubs. For Q2, we have the next sets of product spins-offs which are investor focused. The first 'investor hubs' will be Gold & Silver and Energy Minerals. Both are due to launch in a few weeks, having been pre-sold by our Sales teams.

After some challenging years we are now seeing sustainable recoveries in all key advertising products with significant intrinsic growth. Digital dollars are driving ahead as print decline slows and positive margin differentials carry through to the bottom line.

Advertising Highlights

- Our July 15th edition of Mining Journal at 64 pages was the largest edition in MJ's 181 years history
- Mining Magazine Q1 advertising revenues, buoyed by the MINEXPO show, were up 45% YOY; overall the largest revenue by quarter in 4 years
- August revenues in MiningNews.net were the highest they have been for 18 months
- September's booked revenue position for EnergyNewsbulletin.net is already the highest in 18 months
- All major products showed significant Q1 revenue gains compared with prior quarter

Events

The most market sensitive of all our revenue streams is sponsorship in our events business. This has been particularly true of the Mines and Money series in recent years. We need a few more quarters of recovery to confirm a sustained improvement in market conditions but the signs are building in our sponsorship revenues.

Mines and Money Americas, our largest ever launch, will be a strong success story this quarter - as we reported to the market a few weeks ago. Q1 will see record events revenues for Aspermont and looking ahead to Q2, with our IMARC and Mines and Money London shows, we are seeing positive year on year trends.

Capital Raising

Aspermont is delighted to have finished its capital raising activities. As announced to the market in May 2016 the group intended to raise \$5m in cash and achieve a conversion of \$5m of its debt to equity.

All monies have now been committed and after shareholder approval at the EGM on 30th September 2016 we will conclude the placement and debt conversion process.

The group's long-term debt position will then be circa \$1m of bank debt.

Arbitration

The group has been in arbitration over its Beacon Events business with 40% shareholder Gainwealth. The arbitration hearing was completed in Hong Kong last week and the judgement should be issued in October. We expect a positive outcome from these proceedings and will update the market as soon as the judgment is delivered.

Forthcoming but Favourable Disruption

Aspermont in recent years has focussed on building broader subscription based audiences. To alter our pricing variables we will now be concentrating on delivering large increases in product value in a sustained way over the next few years. We are seeking to deliver that value through building up our offerings in both data and research.

Recently, we have been working closely with a new partner in data solutions and will be piloting a proof of concept in the next few weeks. On the success of that we will use the design framework for a more concentrated long term product development in data. We are particularly excited about the opportunities this will bring to the business and we hope to have a post-beta first offering live in Q3.

Summary

Overall we have had a very positive start to the new financial year and with a return to profitability the business mood is ambitious. We have attracted some excellent new talent to the company in the last few months and will continue to focus on advancing knowledge capital in all areas of the business.

We have attracted over 100 new shareholders through our current capital raising activities and I welcome one and all. Aspermont's Investor Relations focus post capital raising will be more active going forward and we hope to roadshow our company across the world to find new friends in new places. I expect to make some announcements in this regard in the near future.

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About Aspermont Limited

Aspermont is an ASX listed company managed from London; a global hub in media technology. Aspermont is the leading information services provider to the global resources industries with a long established reputation for objective and independent coverage of the global mining and resource sectors. Aspermont's Mining Journal has been in continuous publication for over 180 years. Aspermont also manages Mines and Money providing global conferences for the mining industry.