

12 December 2016

Substantial half-year results reset Aspermont for future growth

Transformational period – significant reduction in debt and move to positive cash flow

Key Points

- Strong overall H1 positioning the Group well for the future
- 5% revenue growth (\$730k YOY) on continuing businesses
- 800% EBITDA improvement (\$1.6m YOY)
- Oversubscribed \$10m capital raising and debt to equity conversion successfully completed
- 85% reduction in long-term balance sheet debt to \$1.1m
- Digital advertising up 25% YOY and gathering momentum
- Record revenues from a 23% increase in attendees at IMARC Melbourne
- 2 new investor hubs launched for precious metals and energy minerals sectors
- Agriculture brand successfully migrated onto next generation platform
- 'Future Energy Finance' and 'Mines and Technology' events launched
- Appointment of UK Subscription Sales Director – ex Euromoney Global Sales Manager

Overview

It has been a period of ongoing transformation for the Group and the Board is pleased to report on a positive outlook ahead.

Q2 for the Aspermont group has a higher level of importance due to the clustering of some of our larger event products, IMARC in Melbourne and Mines and Money in London, in addition to a full publishing cycle which seasonally Q1 and Q3 do not have.

Expected Group revenues from Q2 are double those of other periods meaning Aspermont's H1 will provide good insight for forecasting where the Group's year end position will stand against plan. The forward-booked nature of the Group's advertising and subscriptions revenues also add enhanced full year revenue visibility and the Board looks forward to updating shareholders in due course.

Following an excellent Q1, the Board anticipates a robust half year for the Group. A recovery in the mining sector, coupled with successful new digital advertising and new product launches, deliver strong revenue growth but also establish Aspermont's platform for future growth in new revenue streams.

In October, Aspermont successfully completed a three part \$10m capital raising. With positive earnings and a significant reduction in debt, the Group now enjoys positive cash flow.

The level, speed and execution of new products across the Group has exceeded all previous years – this has been driven by a combination of sector turnaround and Aspermont’s hybrid model of old and new media. All new products launched in Q2 are profitable from inception and the Board is confident that they will add significantly to the Group over the year to come.

Financial Overview

	Forecast H1 (\$'m)	YOY Variance	YOY Growth
Group Total Rev	13.6	0.7	5%
Total Costs	11.8	(0.9)	7%
Total EBITDA	1.8	1.6	800%

Oversubscribed Placing

In October 2016, Aspermont successfully raised \$10m in new equity, adding over 100 new shareholders

- \$5m was raised in a \$3m underwritten rights issue and \$2m in a oversubscribed placement
- \$5m debt was eliminated on conversion into equity

Strengthened Balance Sheet

There has been significant balance sheet debt reduction over the last several years and the recent \$10m raising will provide a solid foundation from which to grow.

\$m	June'15	June'16	Oct'16
External Debt	2.3	1.9	1.1
Legacy Debt	0.8	0.3	0.2
Related Party Loans	2.8	2.9	0.0
Convertible Debt	1.8	3.2	0.0
TOTAL	8.4	7.4	1.3
Debt/Equity	100%	266%	19%

Senior ANZ Bank debt has been reduced to \$1.1m and the Board expects to fully extinguish that debt in the near future.

New Product Launches

Q2 saw a number of new product launches across the Group – reaffirming the Board’s strategy to build a hybrid media model. The Group’s Gold / Silver Investor Hub and Energy Minerals Investor Hub, confirm Aspermont’s commitment to innovation in developing new content marketing solutions for clients.

On the events side, product extensions within the Mines and Money brands and the regeneration of our Energy events portfolio, enable Aspermont to build and consolidate its global market leadership.

All new products have been successfully commercialised pre-launch and have good growth potential over the remainder of the financial year and beyond.

Gold Silver Investor Hub <http://www.mining-journal.com/gold-and-silver-investor-hub/>

<http://www.miningnews.net/gold-and-silver-investor-hub/>

Energy Minerals Investor Hub <http://www.mining-journal.com/gold-and-silver-investor-hub/>

<http://www.miningnews.net/energy-minerals-investor-hub/>

Future Energy Finance <http://europe.futureenergyandfinance.com/>

Mines & Technology <http://london.minesandtechnology.com/>

Arbitration

On 21 November 2016, Aspermont announced that a partial award was made with regards to the arbitration proceedings with Gainwealth. The Group confirmed that, in accordance with the terms of the partial award, there was no resulting change to either the management structure or Board of Beacon Events (“Beacon”), nor is there any impact upon the assets of Beacon.

The management team of Beacon currently consists of both Gainwealth directors (Chris Maybury and Daniel Kirwin) and Alex Kent as the company’s CEO.

Outlook

H1 has been extremely pleasing. After several years of revenue contraction, the Group has moved through recovery and back into growth. The Group’s continuous re-evaluation of costs is delivering improved margins and I am pleased to report that the Group has returned to positive cash flow and strengthened its balance sheet. Debt reduction has permitted investment in knowledge capital, which is starting to pay dividends in terms of the innovation cycle and execution speed and quality.

The Board expects the Group’s positive H1 performance to gain momentum and looks forward to updating shareholders further in the second half of the year.

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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.