

A S P E R M O N T L I M I T E D

ACN: 000 375 048

**A N N U A L
R E P O R T**

2005

CORPORATE DIRECTORY

Directors

Andrew Leslie Kent
John Stark
Lewis George Cross

Company Secretary

Russell Paul Hardwick
Lewis George Cross

Officers

Chris Bond – Chief Operating Officer
Russell Hardwick – Chief Financial Officer

Registered Office

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

Postal Address

PO Box 78, Leederville WA 6092

Share Registry

Advanced Share Registry Services
Level 7, 200 Adelaide Terrace, Perth WA 6000
Telephone: (08) 9221 7288 Facsimile: (08) 9221 7869

Bankers

National Australia Bank Ltd
Suite 7 51-53 Kewdale Road, Welshpool WA 6106

Lawyers

Coulsons Barristers and Solicitors
Level 5, 524 Hay Street, Perth WA 6000

Auditors

MSI Marsdens
565 Hay Street, Daglish WA 6008

ASPERMONT LIMITED AND CONTROLLED ENTITIES 30 JUNE 2005
CHAIRMAN'S REPORT

Dear fellow shareholder,

I am pleased to inform you that during the 2004/5 fiscal year, Aspermont achieved significant improvements in both revenues and operating margins. These were achieved through sound planning and competent execution but I concede that we also benefited from the buoyant conditions experienced in the resources sector, our prime source of income.

Your company has been well positioned to capitalise on these favourable conditions and our success and the experience obtained will enable us to both widen our product range and improve our revenue balance over the coming year. We will achieve this through: -

- Expansion of Aspermont's suite of non-resource sector soft copy publications.
- Selective acquisitions where these add significant value.
- Assessment of conferencing potential beyond the current joint venture arrangements.

A recently completed overhaul of Aspermont's management structure will assist in delivering a: -

- Steady eye for existing products.
- Safer solution for both organic and acquisition growth.
- Management of corporate governance requirements.
- Additional support for Aspermont's blossoming low-cost corporate investment portfolio.

I am addressing the opportunities of the coming year with optimism. I believe that the enthusiasm and diligence of Aspermont's senior and operating staff will have added significant value for our loyal shareholders before my address next year.

Yours Sincerely



Andrew Kent
Chairman

ASPERMONT LIMITED AND CONTROLLED ENTITIES 30 JUNE 2005

REVIEW OF OPERATIONS

REVIEW OF OPERATIONS 2005

Aspermont Limited is Australia's leading publisher to the resources and related trade sectors. The company produces high quality print magazines and on-line publishing products and has enjoyed year on year growth in revenue since listing on the ASX back in April 2000.

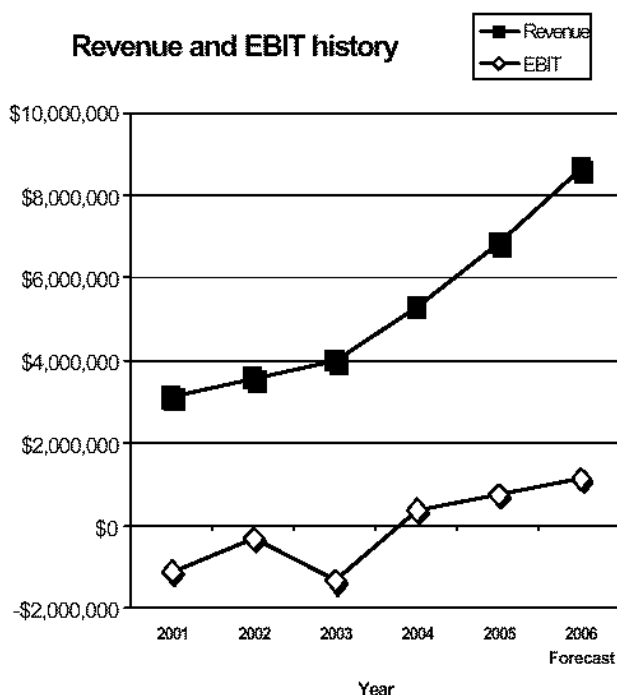
During the last twelve the months the group has achieved strong revenue growth across all its mastheads whilst at the same time investing into the development of new products.

The company is now focused on enhancing its robust growth strategy around the reuse of its successful business models.

Financial Highlights

In comparison to the previous financial period the results for the twelve-month period to the 30th June 2005 demonstrate:

- \$1.54 million or 29.45% increase in operating revenue to \$6.83 million.
- Strong increase of 42.5% in on-line publishing revenues to \$1.89 million.
- Significantly improved profit after tax of \$585,000.
- Cash reserves of \$510,000 at 30th June 2005.
- Basic EPS (Earnings per share) of 0.448c.

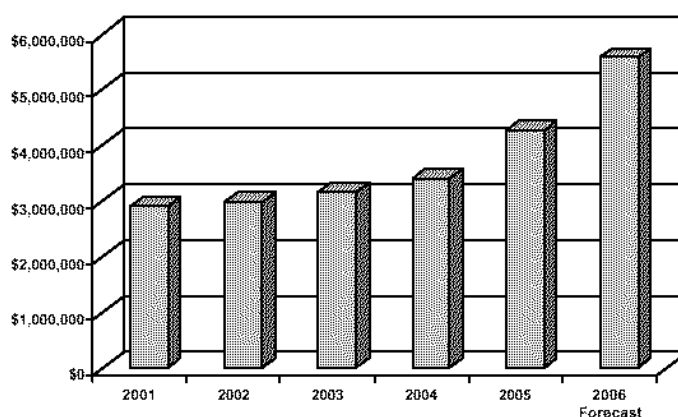


Operational Highlights

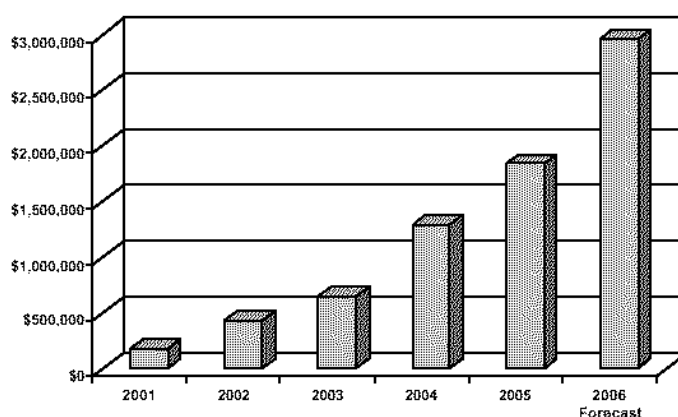
During the last 12 months the company has completed the following milestones:

- 200% increase in number of on-line publishing sites now in operation.
- Record advertising revenues in the flagship product **“Australia’s Mining Monthly”**.
- Continued growth in the National **“Contractor”** publication.
- Expanded frequency of the highly regarded **“ResourceStocks”**.
- Launch of the **“US Longwalls”** publication in December 2004.
- Marked improvements in all on-line business units.
- Continued investments into developing new products.

Print Publishing Revenue History



On-line Publishing Revenue History



The company has been successful in growing its print business by introducing new publications and increasing the frequency of its existing publications.

The on-line business continues to develop at a significant pace with the strengthening of the specialised database of readers and advertisers for the individual news services. Aspermont has demonstrated its ability to swiftly deliver new mastheads during the year with further on-line news services planned for the coming year.

The support for the company’s mastheads continues to expand driven by the quality content of its highly respected journalists.

Corporate Initiatives

In an endeavour to increase Aspermont's purchasing power your directors have sanctioned some small and isolated funds into non-core investments.

Conferencing

- Joint venture with Mining Journal (U.K) and Golden Cross Resources to manage the “**Excellence in Exploration**” conference to be held in Sydney on the 18th-19th October 2005.

Investments

- Successful involvement in investing and supporting the float for Abra Mining Limited (“Abra”). Aspermont now holds 2,381,350 ordinary shares and 715,680 25c share options in Abra.
- Magyar Mining plc (“Magyar”) which is expected to list on the Alternative Investment Market (“AIM”) in London during the last quarter of 2005. The company holds 6,790,189 fully paid ordinary shares in Magyar. We confirm that the anticipated listing price will be no less than 10p per share.
- The company has received 2,000,000 shares in Medpri Limited (formerly Primedical inc). Medpri is a UK holding company with an 85.6% owned US based subsidiary (iCardia Healthcare Corporation) providing advanced cardiovascular monitoring technology and services for the non-hospitalised patient, a market estimated to be worth in excess of US\$1billion. Its current principal products and services enable clinical grade monitoring and diagnosis of abnormal heartbeat including arrhythmia, atrial fibrillation and aberrant heartbeat and the monitoring of blood pressure.
- Aspermont's second mortgage investment book continues to wind-down with approximately 10% early repayments on loans received during the last financial year.

Aspermont also expects to complete two further corporate initiatives during the coming fiscal year.

Outlook

The publishing outlook for Aspermont in 2005/2006 remains strong. Your board plans to further broaden the base of our published products over the coming year. At the same time we expect our new listed and unlisted investments to flourish as they transport from business plan to reality.

ASPERMONT LIMITED AND CONTROLLED ENTITIES 30 JUNE 2005 DIRECTORS' REPORT

The Directors present their report together with the accounts of Aspermont Limited and the consolidated accounts of the economic entity for the year ended 30 June 2005 and the auditors' report thereon.

DIRECTORS

The directors of the company at any time during or since the end of the financial year are.

Name

Andrew Leslie Kent	Executive Chairman and Managing Director.
John Stark	Non - Executive Director
Lewis George Cross	Non - Executive Director

COMPANY SECRETARY

The following held the position of company secretary at the end of the financial year:-

Mr Lewis George Cross	Mr Cross is a Certified Practising Accountant and holds a Bachelor of Business degree majoring in Accounting from Curtin University. Mr Cross is also a Fellow of the Institute of Company Directors.
Mr Russell Paul Hardwick	Mr Hardwick is a Certified Practicing Accountant and an associate member of the Institute of Chartered Secretaries. Mr Hardwick holds a Bachelor of Business degree majoring in Accounting from Curtin University and has worked for Aspermont since April 2002 in the combined role of Chief Financial Officer/ Company Secretary.

PRINCIPAL ACTIVITIES

The consolidated entity's principal activities during the year were to further its investment in the combined print & internet publishing business and develop corporate investment opportunities. Aspermont has seen a marked improvement in all its business units whilst at the same time has continued to invest and launch new products

OPERATING RESULTS

The consolidated entity has achieved an operating profit of \$585,805 after providing for income tax and eliminating outside equity interest. (2004 profit \$65,520).

Operating revenue for the year ending 30th June 2005 was \$6,831,000 up 29.45% on the prior year. The company has improved margins across all products and successfully increased the growth in subscription and advertising revenues across both print and on-line products

Please refer to the review of operations for a detailed summary of the results for the year ending 30th June 2005.

DIVIDENDS

The Directors have recommended that no dividend be declared.

CHANGES IN STATE OF AFFAIRS

During the financial year there were no significant change in the state of affairs of the consolidated entity other than that referred to in this report or the financial statements or notes thereto.

FINANCIAL POSITION

The net assets of the economic entity have increased by \$2,008,000 from 30th June 2004 to \$4,291,000 in 2005. The increase has largely resulted from the following factors:

- Improved operating performance of the company,
- Revaluation of the company's financial assets with a net movement in the group's revaluation reserve of \$1,150,000.

The economic entity's improved financial position has allowed it to invest in developing new products while maintaining a healthy working capital ratio. The group's working capital being current assets less current liabilities has improved to \$2,035,000 at 30th June 2005.

The directors believe the group is in a strong and stable financial position to expand and grow its current operations.

CHANGES IN CONTROLLED ENTITIES AND DIVISIONS

Nil

DIRECTORS' MEETINGS & INFORMATION

Andrew Kent

Experience

Director since 1993 and Executive Chairman since 1998. Mr Kent is an experienced businessman and previously had 12 years experience with a large international equities company.

Interest in shares and Options

60,200,000 ordinary shares in Aspermont Ltd.

Lewis Cross

Experience

Director since August 2000. Mr Cross is a Certified Practising Accountant and principal of the firm Crosscorp Accounting, which has been established for over 25 years. He holds a Bachelor of Business degree majoring in Accounting from Curtin University and is a Fellow of the Institute of Company Directors. Mr Cross is also a director of ASX listed Polaris Metals NL and previously held the position of director with Biometrics Limited.

Interest in shares and Options

1,600,000 ordinary shares in Aspermont Ltd.

ASPERMONT LIMITED AND CONTROLLED ENTITIES 30 JUNE 2005
DIRECTORS' REPORT (continued)

John Stark

Experience Director since April 2002. Mr Stark is an experienced and successful businessman with extensive commercial and investment knowledge and is the company's second largest shareholder.

Interests in shares and options 22,681,580 ordinary shares in Aspermont Limited

The number of Directors' meetings and number of meetings attended by each of the Directors of the company during the financial year were:

Name	DIRECTORS' MEETINGS	
	Number eligible to attend	Number Attended
Andrew L Kent	4	4
Lewis Cross	4	4
John Stark	4	4

In addition to the meetings of Directors, certain matters were approved by circulatory resolutions signed by the Directors. All matters in relation to the audit and nomination committees were dealt with; within normal board meetings and no separate committee meetings were held.

REMUNERATION REPORT

This report details the nature and amount of remuneration for each director of Aspermont Limited and for the executives receiving the highest remuneration.

The board is responsible for determining the remuneration policies and packages applicable to the board members and senior executives of the company. The broad remuneration policy is to ensure that the remuneration package properly reflects the person's duties, responsibilities, level of performance and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits.

Currently the Executives and Directors remuneration are not specifically linked to the performance of the economic entity except where entitlements exist to participate in the employee share option plan. However to align directors and executives interests with shareholder interests, the directors and executives are encouraged to hold shares in the company.

ASPERMONT LIMITED AND CONTROLLED ENTITIES 30 JUNE 2005
DIRECTORS' REPORT (continued)

Details of the nature and amount of each element of the emoluments of each director of the company and three named officers of the consolidated entity receiving the highest emolument are:

Director's emoluments

Directors	Director's Fees	Superannuation Contributions	Total
	\$	\$	\$
<u>Non-Executive</u>			
Lewis Cross	24,000	4,320	28,320
John Stark	24,000 (See below)	4,320	28,320
<u>Executive</u>			
Andrew Kent	(See below)	-	-

During the year ending 30th June 2003 the company issued Drysdale Investments Ltd, a company associated with Mr Andrew Kent, 9,000,000 fully paid ordinary shares and 9,000,000 10c share options in lieu of the payment of director's fees to Mr Kent for the period of 30th April 2000 to the 30th April 2005. The 9,000,000 10c share options expired on the 30th June 2005.

On the 9th December 2004 the company issued M&P Services Pty Ltd a company associated with Mr John Stark 480,000 fully paid ordinary shares in lieu of the payment of director's fees to Mr Stark for the period of 2nd April 2004 to 2nd April 2005.

Executive's emoluments

Executives	Salary	Superannuation Contributions	Total
	\$	\$	\$
Mr R.S Roberts	121,162	10,904	132,066
Mr R.P Hardwick	98,801	8,892	107,693
Mr C.A Bond	88,060	7,925	95,985

Executive options

Name	Number of options granted	Number of options vested	Grant Date	Value of options at grant date	Exercise Price	Date of Expiry
Mr R.S Roberts	250,000	150,000	23.07.2004	\$0	\$0.10	23.07.2007
Mr R.P Hardwick	250,000	150,000	23.07.2004	\$0	\$0.10	23.07.2007
Mr C.A Bond	250,000	150,000	23.07.2004	\$0	\$0.10	23.07.2007

Options granted as part of senior management remuneration have been valued using a Binomial option pricing model, which takes into account factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate and expected life of the option

ASPERMONT LIMITED AND CONTROLLED ENTITIES 30 JUNE 2005
DIRECTORS' REPORT (continued)

DIRECTORS AND AUDITORS INDEMNIFICATION

The company has paid premiums to insure each of the directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company. The amount of the premium was \$14,421 with a limit of indemnity of \$1,000,000 in aggregate.

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 auditor of the company or a related body corporate.

OPTIONS

At the date of this report, the unissued ordinary shares of Aspermont Limited under option are as follows:

Name	Grant Date	Date of Expiry	Exercise Price	Number of Options
Chris Bond	23.07.2004	23.07.2007	\$0.10	250,000
Russell Hardwick	23.07.2004	23.07.2007	\$0.10	250,000
Richard Roberts	23.07.2004	23.07.2007	\$0.10	250,000

There were no options exercised during the year ended 30th June 2005

AFTER BALANCE DATE EVENTS

Directors and Executive share option plan

On the 5th August 2005 the directors agreed to issue the following options:-

Name	Grant Date	Date of Expiry	Exercise Price	Number of Options
Andrew Kent (refer below)	01.07.2005	30.06.2010	\$0.225	9,000,000
Russell Hardwick	01.07.2005	30.06.2008	\$0.225	250,000
Chris Bond	01.07.2005	30.06.2008	\$0.225	250,000

The issue of 9,000,000 options to a director is subject to approval of shareholders at the annual general meeting to be held during November 2005.

AFTER BALANCE DATE EVENTS (continued)

Controlled Entities

During August 2005, Darling Downs TV Ltd a controlled entity of Aspermont Limited (53.9%) executed a share sale and allotment agreement. The effect of this agreement is that upon settlement Darling Downs TV Limited will no longer be a controlled entity of Aspermont Limited. Settlement of the agreement is expected to occur during October 2005. The benefit to Aspermont will be the potential to realise future benefits from its investment in Darling Downs as well as reduced compliance and secretarial costs in maintaining the company.

LEGAL PROCEEDINGS

The company has previously advised that:

- 1) It had terminated the agreement with Excalibur Mining Corporation Ltd ("Excalibur") for the sale of its shareholding in Magyar Mining plc for \$4,290,000.
- 2) It would be claiming damages from Excalibur for breach of the agreement; and
- 3) Excalibur's performance of its obligations under the agreement in relation to the satisfaction of the purchase price was irrevocably and unconditionally guaranteed by Strata Mining Corporation Ltd (Strata).

Aspermont has commenced proceedings against Excalibur and Strata in the Federal Court of Australia claiming damages from them for breach of the agreement and the guarantee respectively and also for misleading conduct contrary to section 52 of the *Trade Practices Act* 1974. In the proceedings Aspermont is also claiming damages from Mr Stephen Miller, a director of Strata, for misleading conduct contrary to section 10 of the *Fair Trading Act* 1974 (WA).

The company has brought to account the amount of \$600,000 as revenue during the financial years ending 30th June 2004 and 30th June 2005 in relation to agreements reached with Strata Mining Corporation Limited ("Strata"). The company has received \$75,000 in part payment of this amount and the balance remains the subject of Federal Court proceedings for recovery.

If the company is unsuccessful in its claims against Excalibur and Strata, the company may have to reverse the remaining balance of \$525,000 previously recorded as income and recorded as a current receivable in this financial report. This would result in a reduction of both net profit and net assets by \$525,000 in the financial period in which the claims are judged unsuccessful.

The directors are of the opinion that the matter will be resolved favourably and the company is hardened in its resolve to seek a successful outcome.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or 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.

ASPERMONT LIMITED AND CONTROLLED ENTITIES 30 JUNE 2005
DIRECTORS' REPORT (continued)

FUTURE DEVELOPMENTS

The directors believe on reasonable grounds that disclosure of information regarding the likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity. Accordingly this information has not been included in this report.

NON-AUDIT SERVICES

During the year ending 30th June 2005 the auditor did not provide any non-audit services to the company.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30th June 2005 has been received and can be found following the directors' report and corporate governance statement.

ROUNDING OF AMOUNTS

The parent entity has applied the relief available to it in ASIC Class Order 98/100 and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars.

Dated this 20th September 2005

Signed in accordance with a resolution of Directors:



Andrew Kent
Director



Lewis Cross
Director

ASPERMONT LIMITED A.C.N. 000 375 048 AND CONTROLLED ENTITIES

CORPORATE GOVERNANCE STATEMENT

CORPORATE GOVERNANCE

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

Responsibility for managing, directing and promoting the profitable operation and development of the company, consistent with the primary objective of enhancing long term shareholder value, is delegated to the Managing Director, who is accountable to the board.

In March 2004 the Australian Stock Exchange Corporate Governance Council released its Principles of Good Governance and Best Practice Recommendations. The board has continued to review the recommendations and in many cases the company continues to achieve the standard required. In some cases the company has not met the recommendations due to these being unduly onerous for a company of this size and its current business development phase.

The following sets out the company's position in relation to corporate governance specifically the 10 principles contained in the ASX Corporate Governance Council's report.

Principle 1: Lay solid foundations for management and oversight.

The company has developed a board charter that determines the functions reserved for the board and those delegated to management. The relationship between the board and senior management is important to the group's long-term success. The Board responsibilities include: appointing the Managing Director / Chief Executive Officer and succession planning, approving major strategic plans, monitoring the integrity and consistency of management's control of risk, agreeing business plans and budgets, approving major capital expenditure, acquisitions and divestments, approving funding plans and capital raisings, agreeing corporate goals and reviewing performance against approved plans.

Principle 2: Structure the board to add value

The company has a board of three directors comprising the Managing Director/Chairman and two non-executive directors. Of the three directors the board considers that Mr Lewis Cross is independent after reviewing the ASX Corporate Governance council's definition of independence and considering materiality. Crosscorp Accounting Services of which Mr Cross is the principal does provide minor services to the company at normal commercial rates. Mr Cross is also an experienced company director. The board does not have a majority of independent directors but after considering the needs of the company at this time and the board policies which have been put in place, it is the view of the board that it is not in the interests of shareholders to incur the expense of additional directors at this time.

The Chairman of the board Mr Andrew Kent has also filled the role of Chief Executive Officer in the past. The board has considered the best practice recommendations and the needs of the business and has resolved to appoint a Chief Executive Officer during the last quarter of 2005. A description of the skills and experience of all the directors is included in the Director's report.

Each Director has the right of access to all relevant company information and to the company's executives and subject to prior consultation with the chairman, may seek independent professional advice at the company's expense.

ASPERMONT LIMITED A.C.N. 000 375 048 AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Principle 3: Promote ethical and responsible decision-making

The company has an established policy regarding trading in its securities by directors and officers. Directors and employees must not, directly or indirectly, buy or sell shares or other securities in the company, when in possession of unpublished price sensitive information, which could materially affect the value of those securities. The company also has a formal code of conduct as part of its board charter.

Principal 4: Safeguard integrity in financial reporting

The Executive Chairman and Chief Financial Officer have made the following certifications to the board:

- That the company's financial reports are complete and present a true and fair view, in all material respects of the financial condition and operational results of the company and group.
- That the above statement is founded on a system of internal control and risk management.

Due to its size the board as a whole acts as the audit and risk management committee. The full board consists of only three directors and has formed the view that it is more efficient for the board as a whole to deal with matters that would otherwise be dealt with by an audit committee. The board has assessed and reviews external and internal audits and any material issues arising from those audits. The board has taken the following steps to safeguard the integrity of its financial report

- Assesses and reviews the accounting policies and practices of the group as an integral part of reviewing the half year and full year accounts.
- Board meetings are scheduled prior to approval of the annual accounts to ensure that those reports are considered in detail and that there is adequate opportunity for changes to be made or explanations to be provided by management.
- Mr Lewis Cross who is a certified practicing accountant takes a lead directors role when the board is carrying out functions that would otherwise be dealt with by an audit committee.
- Makes recommendations regarding the appointment of external auditors and the level of their fees and provides a facility, if necessary, to discuss any concerns raised by the internal and external auditors independently of management influence.

The external auditors meet privately with the board at least once per year.

Principal 5: Make timely and balanced disclosure

The Company Secretary has been nominated as the person responsible for communications with the Australian Stock Exchange (ASX). The company seeks to provide relevant and timely information to its shareholders and is committed to fulfilling its obligations to the broader market for continuous disclosure. The company aims to ensure timely provision and equal access to material information about the company.

The board has ensured that the procedure for identifying and disclosing material and price sensitive information is in accordance with the Corporations Act 2001 and the ASX Listing Rules. The company does not have a formal written policy regarding disclosure but uses strong communication between the board and management to identify and approve information for disclosure.

ASPERMONT LIMITED A.C.N. 000 375 048 AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT (CONTINUED)

The Aspermont Ltd website contains copies of our annual and half year reports, ASX announcements, investor relations publications, briefings and presentations given by executives plus links to information on our products and services.

Principal 6: Respect the rights of shareholders

All information disclosed to the ASX is posted on the company's web site as soon as confirmation is received from the ASX. Shareholders may register on the site to receive electronic notification of releases of information by the company. A copy of the company's annual report and notice of annual general meeting is sent to all shareholders.

For many years the company has requested the external auditor to attend general meetings and this has been supported by the company's auditors, MSI Marsdens.

Principal 7: Recognise and manage risk

The Board has in place risk management programs aimed at ensuring the company conducts its operations in a manner that allows risks to be identified, assessed and appropriately managed. The Company Secretary and Chief Operating Officer reporting to the Executive Chairman manage the company's internal controls and risk management. During the year ending June 2005 the company has been reviewing and improving its safety, risk identification and management processes including a recent ergonomic assessment of staff workstations.

Principal 8: Encourage enhanced performance

Due to the size and development phase of the company, the board has no formal performance evaluation policy. The current directors consider that they have a sufficient mix of skills and experience to add value to the company.

The directors are provided access to the following resources: -

- A monthly financial report outlining the results of the operations and key functional areas
- The Company's proposed budget is provided to each director for review and comment
- All board members have unrestricted access to the Executive Chairman, Chief Operating Officer and Chief Financial Officer / Company Secretary.

The key executives complete a performance appraisal each year.

Principal 9: Remunerate fairly and responsibly

The board determines the remuneration of the Managing Director and key executives. The board believes that due to the size of the company, individual salary negotiation is more appropriate than formal remuneration policies. The board reviews market comparisons in determining remunerations and will seek independent external advice as necessary. The Company has an executive option scheme in place that has been previously approved by shareholders.

Non-executive directors are remunerated by way of directors' fees within the limit approved by shareholders. The board determines fees paid to individual board members. Further information on director's and executive's remuneration is set out in the director's report and notes to the financial statements.

ASPERMONT LIMITED A.C.N. 000 375 048 AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Principal 10: Recognise the legitimate interests of stakeholders

The Company has a formal code of conduct for the board, management and staff. The directors continue to review the business to determine the most effective and appropriate operating procedures. The company continues to review its risk management programs across health, safety and the commercial operations of the business. The company has in place a comprehensive editorial risk management guideline that is used as the main guide within the publishing business.

MSI MARSDENS

29th September 2005

The Directors
Aspermont Limited
613-619 Wellington St
Perth W.A 6000

Dear Sirs,

AUDITORS INDEPENDENCE DECLARATION

I declare that to the best of my knowledge and belief, during the year ended 30th June 2005 there have been:

- (i) no contravention of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contravention of any applicable code of professional conduct in relation to the audit.

MSI Marsdens
Perth By



M J Waterson
Partner

Dated at Perth this 29th day of September 2005

ACCOUNTANTS
AND ADVISERS
TO BUSINESS

PARTNERS
R. K. BICHSEL FCA
D. J. HENNINGSON
M. J. WATSON B. COM. CPA
M. P. PITHALOGU
M. HUGHES

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ASPERMONT LIMITED AND CONTROLLED ENTITIES
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2005

	NOTE	CONSOLIDATED 2005 \$000	2004 \$000	THE COMPANY 2005 \$000	2004 \$000
CLASSIFICATION OF EXPENSES BY FUNCTION					
Sales revenue	2	6,113	4,747	6,113	4,747
Cost of sales		(2,890)	(2,557)	(2,890)	(2,557)
Gross profit		3,223	2,190	3,223	2,190
Other revenues from ordinary activities		718	530	642	530
Distribution expenses		(320)	(253)	(320)	(253)
Marketing expenses		(1,125)	(923)	(1,125)	(923)
Occupancy expenses		(215)	(137)	(215)	(137)
Corporate and administration		(703)	(782)	(703)	(782)
Other expenses from ordinary activities		(957)	(559)	(957)	(559)
Profit from ordinary activities before income tax expense	3	621	66	545	66
Income tax expense relating to ordinary activities	4	-	-	-	-
Profit from ordinary activities after related income tax expense		621	66	545	66
Net profit/ (loss) attributable to outside equity interests		(35)	-	-	-
Net profit attributable to members of the parent entity		586	66	545	66
Total revenues, expenses and valuation adjustments attributable to members of the parent entity and recognised directly in equity		-	-	-	-
Total changes in equity other than those resulting from transactions with owners as owners		586	66	545	66
Basic earnings per share (cents per share)		0.448c	0.058c		
Diluted earnings per share (cents per share)		0.378c	0.102c		

The statements of financial performance are to be read in conjunction with the notes to and forming part of the financial statements.

ASPERMONT LIMITED AND CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005

	Note	CONSOLIDATED		THE COMPANY	
		2005	2004	2005	2004
		\$000	\$000	\$000	\$000
Current Assets					
Cash assets		510	316	510	316
Receivables	6	1,771	1,363	1,771	1,363
Other financial assets	7	1,458	140	1,458	140
Total Current Assets		3,739	1,819	3,739	1,819
Non-Current Assets					
Receivables	6	86	97	86	97
Property plant and equipment	8	378	459	378	459
Other Financial Assets	7	500	-	750	250
Intangible assets	9	2,348	2,348	2,182	2,182
Total Non-Current Assets		3,312	2,904	3,396	2,988
TOTAL ASSETS		7,051	4,723	7,135	4,807
Current Liabilities					
Payables	10	1,494	1,133	1,466	1,106
Interest-bearing liabilities	11	-	1,000	-	1,000
Provisions	12	136	122	136	122
Other	13	74	74	74	74
Total Current Liabilities		1,704	2,329	1,676	2,302
Non-Current Liabilities					
Interest-bearing liabilities	11	1,000	76	19,263	18,263
Provisions	12	56	35	56	35
Total Non-Current Liabilities		1,056	111	19,319	18,298
TOTAL LIABILITIES		2,760	2,440	20,995	20,600
NET ASSETS/ (LIABILITIES)		4,291	2,283	(13,860)	(15,793)
EQUITY					
Contributed equity	14	34,514	34,277	34,514	34,277
Reserves	5	3,192	2,042	3,192	2,041
Accumulated Losses	19	(33,236)	(33,822)	(51,566)	(52,111)
Parent entity interest		4,470	2,497	(13,860)	(15,793)
Outside equity interest	17	(179)	(214)	-	-
TOTAL EQUITY (DEFICIENCY)		4,291	2,283	(13,860)	(15,793)

The statements of financial position are to be read in conjunction with the notes to and forming part of the financial statements.

ASPERMONT LIMITED AND CONTROLLED ENTITIES
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2005

	Note	CONSOLIDATED		THE COMPANY	
		2005	2004	2005	2004
		\$000	\$000	\$000	\$000
Cash flows used in operating activities					
Cash receipts in the course of operations		6,104	4,490	6,104	4,490
Cash payments in the course of operations		(5,778)	(4,352)	(5,778)	(4,352)
Interest and other costs of finance paid		(141)	(433)	(141)	(433)
Interest received		10	23	10	23
Other		-	-	-	-
Net cash provided by (used in) operating activities	18(b)	195	(272)	195	(272)
Cash flows from investing activities					
Proceeds from Loans repaid by other entities		32	-	32	-
Payments for investments		(292)	(31)	(292)	(31)
Proceeds from sale of equity investments		-	79	-	79
Payments for non-current assets		(40)	(331)	(40)	(331)
Proceeds from disposal of non-current assets		12	18	12	18
Other		75	-	75	-
Net cash provided by investing activities		(213)	(265)	(213)	(265)
Cash flows from financing activities					
Proceeds from issue of shares		212	517	212	517
Repayment of borrowings		-	(830)	-	(830)
Net cash provided by/ (used in) financing activities		212	(313)	212	(313)
Net increase/ (decrease) in cash held		194	(850)	194	(850)
Cash at the beginning of the financial year		316	1,166	316	1,166
Cash at the end of the financial year	18 (a)	510	316	510	316

The statements of cash flows are to be read in conjunction with the notes to and forming part of the financial statements.

1. STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial report covers the economic entity of Aspermont Limited and controlled entities and Aspermont Limited as an individual parent entity. Aspermont Limited is a listed public company, incorporated and domiciled in Australia. The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. Where required by accounting standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Principles of Consolidation

The consolidated accounts comprise the accounts of Aspermont Limited and all of its controlled entities. A controlled entity is any entity controlled by Aspermont Limited. Control exists where Aspermont Limited has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with Aspermont Limited to achieve the objectives of Aspermont Limited. A list of controlled entities is contained in Note 15 to the accounts. All inter-company balances and transactions between entities in the economic entity, 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. Outside interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated accounts.

(b) Income Tax

The economic entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the operating profit from ordinary activities adjusted for any permanent differences. Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of operating profit before income tax and taxable income are brought to account as either a provision for deferred income tax or an asset described as future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable. Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits in relation to tax losses have not been brought to account because there is uncertainty of realisation of the benefit. The amount of benefits not 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.

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.

1. STATEMENT OF ACCOUNTING POLICIES (CONTD)

(c) Foreign Currency

Foreign currency transactions are translated to Australian currency at the rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies are translated at the rates of exchange ruling at balance date. Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account in the profit and loss account in the financial year in which the exchange rates change, as exchange gains or losses.

(d) Investments

Shares in listed companies held as current assets are valued by directors at those shares market value at each balance date. The gains or losses, whether realised or unrealised are included in profit from ordinary activities before income tax. Shares in unlisted companies are held at cost or market value with any increments or decrements charged against the Asset revaluation reserve. The carrying amount of any unlisted investments is reviewed annually by the directors to ensure it is not in excess of the recoverable amount of these investments.

The recoverable amount is assessed from the quoted market value for listed investments or the underlying net assets for other non-listed investments. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts. Investments in associate companies are recognised in the financial statements by applying the equity method of accounting.

(e) Provisions

Provision for Doubtful Debts

The collectability of debts is assessed at year-end and provision is made for any doubtful accounts.

(f) Employee Benefits

Provision is made for the company's liability for employee entitlements arising from services rendered by employees to balance 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 economic entity to employee superannuation funds and are charged as expenses when incurred.

(g) Intangibles

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. Both goodwill and goodwill on consolidation are amortised on a straight-line basis over a period of twenty years. The balances are reviewed annually and any balance representing future benefits for which the realisation is considered to be no longer probable are written off.

1. STATEMENT OF ACCOUNTING POLICIES (CONTD)

(g) Intangibles (Cont'd)

Mastheads

In the past, mastheads have been carried at cost and were not amortised as the directors were of the opinion that having regard to the duration of the life of the mastheads and their ultimate residual value amortisation would not have been material.

While applicable accounting standards and other professional requirements require that assets such as mastheads be amortised over a period not exceeding twenty years, the directors have decided not to amortise mastheads for the following reasons: -

- i) On 21 February 2000, the company issued a prospectus to raise \$2,200,000 by the issue of 11,000,000 new shares at an issue price of 20c each;
The issue under the prospectus was fully met and consequently the company's shares were quoted on the Australian Stock Exchange on 27 April 2000 and have remained quoted;
- ii) The successful capital raising by the company and the subsequent listing of its shares on the Australian Stock Exchange has significantly increased the market capitalisation of the company and provided an avenue for the sale of its shares;
- iii) Since the raising of new capital, the company has significantly enlarged its business through both increased revenues and the acquisition of related business assets;
- iv) The increased revenues are the result of improved circulation for publications and rises in advertising revenue; and
- v) The company is regarded as a leader in the specialist and technical publishing world.

As a result, the directors are of the opinion that the mastheads have increased in value but, in the light of the matters discussed above and having regard to the requirements of applicable accounting standards, they have determined to retain the mastheads at their existing carrying value and that no provision for their amortisation should be made at this time. The carrying amount is reviewed annually by the directors to ensure that it is not in excess of the recoverable amount. The recoverable amount is assessed based upon the present value of expected future cash flows.

(i) Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable any accumulated depreciation. 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. The recoverable amounts are assessed on the basis of the expected net cash flows and have not been discounted to their present values in determining recoverable amounts. 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%

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

STATEMENT OF ACCOUNTING POLICIES (CONTD)

(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 balance date have been deferred in creditors 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

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).

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(l) Cash

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.

(m) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(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 report and directors' report have been rounded off to the nearest \$1,000.

(o) 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.

(p) Change in Accounting Policy

The economic entity changed its accounting policy in the financial year ending 30 June 2005 relating to its investments held as current assets in order to comply with Accounting Standard AASB 1033 Presentation and Disclosure of Financial Instruments. The financial effect of this change in accounting policy has been to recognise \$29,676 as revenue in the year ending 30th June 2005 for unrealised gains to record current investments at net fair market value. There is no change to the opening retained earnings for the financial year ended 30th June 2004.

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

STATEMENT OF ACCOUNTING POLICIES (CONTD)

(q) Impact of Adoption of Australian Equivalents to International Financial Reporting Standards

The company is preparing and managing the transition to Australian Equivalents to International Financial Reporting Standards (AIFRS) effective for the financial years commencing from 1 January 2005. The adoption of AIFRS will be reflected in the economic entity's and the parent entity's financial statements for the year ending 30 June 2006. On first time adoption of AIFRS, comparatives for the financial year ended 30 June 2005 are required to be restated. The majority of the AIFRS transitional adjustments will be made retrospectively against retained earnings at 1 July 2004.

The economic entity's management, along with its auditors, has assessed the significance of the expected changes and is preparing for their implementation. An IFRS committee has been established to oversee and manage the economic entity's transition to IFRS. The impact of the alternative treatments and elections under AASB 1: First Time Adoption of Australian Equivalent to International Financial Reporting Standards has been considered where applicable.

The directors are of the opinion that the key material differences in the economic entity's accounting policies on conversion to AIFRS and the financial effect of these differences, where known, are as follows. Users of the financial statements should note, however, that the amounts disclosed could change if there are any amendments by standard-setters to the current AIFRS or interpretation of the AIFRS requirements changes from the continuing work of the economic entity's AIFRS committee.

i. Research and Development Expenditure

Under AASB 138: Intangible Assets, costs associated with the research phase of the development of an asset must be expensed. This will result in a change in the current accounting policy, which capitalises research costs in developing mastheads to the statement of financial position where it is expected beyond any reasonable doubt that sufficient future benefits will be derived so as to recover these deferred costs. On transition, the financial effect of this impact is assessed a reduction in the internally generated mastheads of \$96,696 which will be adjusted against retained earnings as at 1st July 2004.

ii. Impairment of Assets

Under AASB 136: Impairment of Assets, the recoverable amount of an asset is determined as the higher of fair value less costs to sell, and value in use. In determining value in use, projected future cash flows are discounted using a risk adjusted pre-tax discount rate and impairment is assessed for the individual asset or at the 'cash generating unit' level. A 'cash generating unit' is determined as the smallest group of assets that generates cash flows that are largely independent of the cash inflows from other assets or groups of assets. The current policy is to determine the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the asset's use and subsequent disposal. It is likely that this change in accounting policy will lead to impairments being recognised more often. The economic entity has reassessed its impairment testing policy and tested all assets for impairment as at 1 July 2004. The company has determined that there will be a write-down in the value of \$72,361 in the company's assets at 30th June 2005.

iii. Goodwill on Consolidation / Acquisition of identifiable intangibles

Under AASB 3: Business Combinations, goodwill is capitalised to the statement of financial position and subjected to an annual impairment test. Amortisation of goodwill is prohibited. Current accounting policy of the entity is to amortise goodwill over a period of 20 years.

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

STATEMENT OF ACCOUNTING POLICIES (CONTD)

Under the company's current accounting policy the acquisition of Australia's Mining Monthly in 1998 gave rise to goodwill of \$2,131,000. AASB3 Business Combinations requires that identifiable intangible assets acquired in a business combination be identified separately from Goodwill, thus the acquired goodwill will be reclassified as purchased mastheads under intangible assets.

The previously amortised goodwill of approximately \$2,131,000 will, therefore, be reversed resulting in a corresponding increase of \$2,131,000 in retained earnings at 1 July 2004. At the same time the masthead valuation of \$1,936,000 will be reversed against the asset revaluation reserve. The company will elect to apply the previously determined fair value of this acquisition as the deemed cost.

iv. Non-current Investments

Under AASB 139: Financial Instruments: Recognition and Measurement, financial assets are required to be classified into four categories, which determines the accounting treatment of the item. The categories and various treatments are:

- Held to maturity, measured at amortised cost;
- Held for trading, measured at fair value with unrealised gains or losses charged to the profit and loss;
- Loans and receivables, measured at amortised cost; and
- Available for sale instruments, measured at fair value with unrealised gains or losses taken to equity.

The economic entity's financial assets comprise available for sale and held for trading financial instruments. Under AASB 139: Financial Instruments: Recognition and Measurement, the measurement of available for sale instruments at fair value differs from current accounting policy which measures non-current investments at cost or market value with an annual review by directors to ensure the carrying amounts are not in excess of the recoverable value of the instrument.

AASB 1 provides an election whereby the requirements of AASB 139 dealing with financial instruments are not required to be applied to the first AIFRS comparative year, and the first time adoption of this standard will apply from 1 July 2005. The economic entity has decided that it will adopt this election and will not restate comparative information for the 30 June 2005 financial year.

v. Income Tax

Currently, the economic entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the accounting profit adjusted for any permanent differences. Timing differences are currently brought to account as either a provision for deferred income tax or future income tax benefit. Under AASB 112: Income Taxes, the entity will be required to adopt a balance sheet approach under which temporary differences are identified for each asset and liability rather than the effects of the timing and permanent differences between taxable income and accounting profit.

The most significant impact will be the recognition of a deferred tax liability of approximately \$347,908 in relation to the asset revaluation reserve at 30 June 2005. This adjustment will have no effect on profit for the year ended 30 June 2005 as the deferred tax is recognised directly to equity being a reduction in the asset revaluation reserve.

The consolidated entity also has carried forward tax losses which have not been recognised as deferred tax assets as they do not satisfy the "virtually certain" criteria under current Australian GAAP. Under AIFRS it may be easier to recognise these tax losses as deferred tax assets as they are recognised based on a "probable" recognition criteria. The company will review the recognition of the potential deferred tax assets after completion of trading for the financial year ending 30th June 2006.

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

STATEMENT OF ACCOUNTING POLICIES (CONTD)

vi. Controlled entity loans

Under AIFRS the parent entity will make a provision for non-payment of loans to 100% controlled entities of \$18,263,000.

On transition to AIFRS the estimated cumulative financial effect of the reliably known differences on the parent and economic entity's reported net profit and equity as at 30 June 2005 is summarised below. As noted above, these amounts represent management's best estimates, and could differ from actuals.

	Economic Entity	Parent Entity
	2005	2005
	\$000	\$000
Reconciliation of Net Profit		
Net profit reported under Australian Accounting Standards	586	545
Key transitional adjustments:		
—Reversal of amortisation of mastheads not recognised under AIFRS	24	24
Net profit under AIFRS	610	569
Reconciliation of Equity		
Total equity reported under Australian Accounting Standards	4,291	(13,860)
Retrospective adjustments to equity at 1 July 2004		
—Reversal of amortisation of goodwill	2,131	2,113
Reversal of Asset Revaluation Reserve	(1,936)	(1,936)
—Reversal of internally generated mastheads	(97)	(97)
—Provision for non-payment of loans to 100% controlled entities	-	18,263
Impairment loss on assets / mastheads	(72)	(72)
—Recognition of deferred tax on revalued assets	(348)	(348)
	3,969	4,063
Increase / Decrease in current year profit resulting from transition to AIFRS	24	24
Total equity under AIFRS	3,993	4,087

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
2. REVENUE				
Operating activities:				
Sales revenue - subscriptions & advertising	6,113	4,747	6,113	4,747
Contract income	-	-	-	-
Interest received or due and receivable from: other corporations	10	23	10	23
Consultancy fees	-	462	-	462
Other Income	352	-	276	-
Share Consideration received	345	-	345	-
	<u>6,820</u>	<u>5,232</u>	<u>6,744</u>	<u>5,232</u>
Non-operating activities:				
Proceeds from disposal of shares & non-current assets	-	79	-	79
Excess provisions written back	11	37	11	37
	<u>11</u>	<u>116</u>	<u>11</u>	<u>116</u>

The company has brought to account the amount of \$600,000 as revenue during the financial years ending 30th June 2004 and 30th June 2005 in relation to agreements reached with Strata Mining Corporation Limited ("Strata"). The company has received \$75,000 in part payment of this amount and the balance remains the subject of Federal Court proceedings for recovery.

If the company is unsuccessful in its claims against Excalibur and Strata, the company may have to reverse the remaining balance of \$525,000 previously recorded as income and recorded as a current receivable in this financial report. This would result in a reduction of both net profit and net assets by \$525,000 in the financial period in which the claims are judged unsuccessful

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

3. PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax
has been determined after:

(a) Expenses:

Cost of sales	2,890	2,557	2,890	2,557
Bad debts written off	21	10	21	10
Doubtful debts	-	7	-	7
Legal costs	73	136	73	136
Borrowing costs				
- related companies	123	277	123	277
- other companies	-	-	-	-
Consulting & Accounting services	94	16	94	16
Write-down of non-current investments to recoverable amount	43	14	43	14
Depreciation of plant, equipment and web sites	122	107	122	107
Directors Fees	48	76	48	76
Rental expense on operating leases – Minimum lease payments	118	72	118	72
Movement in provisions for employee entitlements	35	38	35	38
Foreign exchange loss		-		-

(b) Significant Revenues and Expenses

The following significant revenue and expense
items are relevant in explaining the financial performance:

Revenue

Excess provisions written back	11	37	11	37
Internet advertising & subscriptions	1,846	1,293	1,846	1,293
Print advertising & subscriptions	4,267	3,426	4,267	3,426

Expenses

Interest Expense	123	257	123	257
Legal costs	74	136	74	136
Write-down of non-current investments to Recoverable amount	43	14	43	14
Directors Fees	48	76	48	76
Consulting & Accounting Fees	94	16	94	16
Depreciation of plant, equipment and web sites	122	107	122	107

(c) Remuneration of auditors of the parent entity for

Auditing or reviewing the accounts	29	29	29	29
other services	-	2	-	2
	29	31	29	31

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
4. TAXATION				
Income Tax Expense				
The prima facie tax/ (loss) on profit from ordinary activities before tax is reconciled to the income tax as follows:				
Prima facie tax payable on profit/ (loss) from ordinary activities calculated at 30%	186	20	163	20
Tax effect of permanent differences:				
Increase in income tax expense due to:				
• Doubtful debts	-	2	-	2
• Movement in provision for employee entitlements	11	11	11	11
• Non-deductible expenditure	28	35	28	35
• Write downs to recoverable amounts	13	4	13	4
Decrease in income tax expense due to:				
• Non-assessable income	(26)	(11)	(3)	(11)
• Revaluation of shares not subject to income tax	(9)	-	(9)	-
• Prior year losses recouped	(203)	(61)	(203)	(61)
Income tax expense attributable to profit/ (loss) from ordinary activities before income tax	-	-	-	-

Tax Consolidation

Aspermont and its wholly owned Australian subsidiaries have decided to implement the tax consolidation legislation as of the 30th June 2003. 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 this 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.

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

CONSOLIDATED		THE COMPANY	
2005	2004	2005	2004
\$000	\$000	\$000	\$000

4. TAXATION (CONT'D)

Future income tax benefit not taken to account

The potential future income tax benefit for the consolidated entity at the applicable rate of 30% arising from the implementation of tax consolidation and the carried forward tax losses has not been recognised as an asset because recovery of tax losses is not virtually certain beyond any reasonable doubt

Tax losses carried forward - revenue	2,595	2,830	-	-
Tax losses carried forward - capital	1,395	1,395	-	-
	3,990	4,225	-	-

Other losses

Unrealised capital losses - external investment	29	29	-	-
Unrealised capital losses - subsidiary investment	31,592	31,592	-	-
	31,621	31,621	-	-

Future income tax benefits will only be obtained if:

- (i) the relevant company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised, or the benefit can be utilised by another controlled entity in accordance with Section 80G of the Income Tax Assessment Act 1936;
- (ii) the relevant company and the economic entity continues to comply with the conditions for deductibility imposed by the law; and
- (iii) no changes in tax legislation adversely affect the relevant company and the economic entity in realising the benefit.

Potential future income tax benefits attributable to tax losses carried forward and timing differences as detailed below have not been brought to account at 30 June 2005, because generally the Directors do not regard realisation of the future income tax benefits as virtually certain within the economic entity and also due to the changeable nature of the taxation climate:

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
5. RESERVES				
Capital				
Capital profits	81	81	81	81
Asset revaluation – mastheads	1,961	1,961	1,961	1,960
Asset revaluation – shares (refer below)	1,150	-	1,150	-
Total reserves	3,192	2,042	3,192	2,041

The movements in the Asset revaluation – shares include the revaluation to net fair value of the company's investment in Magyar Mining plc \$1,091,044 and Abra Mining Limited \$59,746.

6. RECEIVABLES

Current

Trade debtors	1,047	645	1,047	645
Provision for doubtful debts	(27)	(27)	(27)	(27)
Other debtors	714	725	714	725
Prepaid borrowing expenses	37	20	37	20
	1,771	1,363	1,771	1,363

The company has brought to account the amount of \$600,000 as revenue during the financial years ending 30th June 2004 and 30th June 2005 in relation to agreements reached with Strata Mining Corporation Limited ("Strata"). The company has received \$75,000 in part payment of this amount and the balance remains the subject of Federal Court proceedings for recovery.

If the company is unsuccessful in its claims against Excalibur and Strata, the company may have to reverse the remaining balance of \$525,000 previously recorded as income and recorded as a current receivable in this financial report. This would result in a reduction of both net profit and net assets by \$525,000 in the financial period in which the claims are judged unsuccessful

Non-current

Loans to controlled entities	-	-	6,187	6,187
Less provision for loss on realisation	-	-	(6,187)	(6,187)
US mortgages	86	97	86	97
Total Non-current Receivables	86	97	86	97

The US Mortgages, represent 30 year non-interest bearing loans secured by second mortgages over residential properties in Chandler Arizona, USA, which mature in 2018 which previous management accepted in the course of resolving a dispute. The movement in the net loan balance from \$97,000 to \$86,000 is a result of repayment of one of the mortgages and an adjustment to the NPV of the loan amount and to reflect movements in the \$US/\$A exchange rate.

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
7. OTHER FINANCIAL ASSETS				
Current				
Market value of listed investments:	171	-	171	-
Market value of unlisted investments (see note below)	1,549	402	1,549	402
Less Provision for write-down to recoverable amount	(262)	(262)	(262)	(262)
	1,287	140	1,287	140
Total current Investments	1,458	140	1,458	140

Note : The Company currently holds 10.65% of the issued capital of Magyar Mining plc (formerly St Istvan plc), which is developing the Lahoca Gold project in Hungary. The company has recorded its investment at net fair value of \$1,287,474 which the directors have determined to be 80% of the value of recently traded shares in Magyar Mining plc. These shares are held for resale within the next 12 months.

Non-current

Market value of listed investments:	500	-	500	-
Controlled entities - at cost	-	-	43,944	43,944
Less provision for diminution	-	-	(43,694)	(43,694)
	500	-	750	250

Refer Note 15 for particulars in relation to associated companies

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
8. PLANT AND EQUIPMENT				
Plant and equipment - at cost	804	763	804	763
Accumulated depreciation	(498)	(401)	(498)	(401)
	306	362	306	362
Websites — at cost	235	235	235	235
Accumulated amortisation	(163)	(138)	(163)	(138)
	72	97	72	97
	378	459	378	459

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

	Plant and Equipment \$000	Websites \$000	Total \$000
Economic Entity:			
Balance at the beginning of year	362	97	459
Additions	41	-	41
Disposals	-	-	-
Depreciation expense	(97)	(25)	(122)
Carrying amount at the end of year	306	72	378

Parent Entity:

Balance at the beginning of year	362	97	459
Additions	41	-	41
Disposals	-	-	-
Depreciation expense	(97)	(25)	(122)
Carrying amount at the end of year	306	72	378

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
9. INTANGIBLES				
Goodwill on acquisition				
Balance at beginning of year	2,450	2,450	2,154	2,154
Added during the year - at cost	-	-	-	-
Balance at end of year	2,450	2,450	2,154	2,154
Accumulated amortisation	(2,131)	(2,131)	(2,113)	(2,113)
	319	319	41	41
Masthead - at independent valuation 30th June 1999				
Balance at beginning of year	1,936	1,936	1,936	1,936
Added during the year	-	-	-	-
Balance at end of year	1,936	1,936	1,936	1,936
Mastheads – at cost	93	93	205	205
Total Intangibles	2,348	2,348	2,182	2,182

The independent valuation carried out on 30 June 1999 by Ernst and Young Corporate Finance Pty Ltd was based on the single masthead of Australia's Mining Monthly. No other independent valuation has been carried out on the company's other mastheads.

10. PAYABLES

Current				
Sundry creditors and accrued expenses	813	589	757	534
Less provision for reduction	(28)	(28)	-	-
Subscriptions & Advertising in advance	660	523	660	523
Other creditors	49	49	49	49
	1,494	1,133	1,466	1,106

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
11. INTEREST BEARING LIABILITIES:				
Current				
Unsecured:				
Related party loans refer a.) below	-	1,000	-	1,000
	-	1,000	-	1,000
Non-Current				
Unsecured:				
Controlled entities loans refer b.) below	-	76	18,263	18,263
Related party loans refer a.) below	1,000	-	1,000	-
	1,000	76	19,263	18,263

a.) The related party loan is a convertible note with Drysdale Investments Ltd, a company associated with Mr Andrew Kent. The significant terms include: -

- Principal debt \$1,000,000,
- Interest rate of 10% per annum payable quarterly in arrears,
- The loan is convertible to 50,000,000 ordinary shares in Aspermont Ltd at a conversion price of 2c per share at any time during the term of the loan at the option of the lender,
- The expiry date of the loan has been extended to 30th June 2007.

b.) The directors of controlled entities have resolved that controlled entity loans are interest free and repayable only when the parent entity has the financial means to do so.

12. PROVISIONS

Current				
Employee entitlements	136	122	136	122
Non-Current				
Long service leave entitlements	56	35	56	35
(a) Aggregate employee entitlements liability	192	157	192	157
(b) Number of employees at year-end.	61	56	61	56

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
13. OTHER				
Current				
Taxation receipt unallocated.	74	74	74	74
	<u>74</u>	<u>74</u>	<u>74</u>	<u>74</u>

14. CONTRIBUTED EQUITY

132,619,792 (2004: 129,639,792 shares)
Fully paid ordinary shares

34,514	34,277	34,514	34,277
--------	--------	--------	--------

a) Ordinary shares

At the beginning of the reporting period

34,277	33,713	34,277	33,713
--------	--------	--------	--------

Shares issued during the year:

- 2,500,000 (2004: 25,830,663 shares)
pursuant to a placement

213	516	213	516
-----	-----	-----	-----

- 480,000 (2004: 960,000 shares)
via the issue of shares in lieu of the payment
of directors or consultants fees during the year.

24	48	24	48
----	----	----	----

At reporting date

34,514	34,277	34,514	34,277
--------	--------	--------	--------

Fully paid ordinary shares issued during the financial year:

23rd March 2005 - 2,500,000 at an issue price of 8.5 cents each

9th December 2004 - 480,000 at an issue price of 5 cents each

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

On the 23rd July 2004 the company issued 1,000,000 10c share options pursuant to the executive option plan. The options are exercisable into ordinary shares pursuant to the plan on or before the 23rd July 2007. Subsequent to the issue, 250,000 options were cancelled.

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

15. PARTICULARS IN RELATION TO CONTROLLED ENTITIES

	Place of Incorp.	Class Of share	Economic Entity Interest		Amount of Investment		Dividends Received or Receivable	
			2005 %	2004 %	2005 \$000	2004 \$000	2005 \$000	2004 \$000
Aspermont Limited	NSW	Ord	100	100	-	-	-	-
Controlled Entities:								
International Laser Finance Pty Ltd	NSW	Ord	100	100	-	-	-	-
Financial and Intellectual Capital Ltd	VIC	Ord	100	100	-	-	-	-
Aspermont Investments Pty Ltd	NSW	Ord	100	100	-	-	-	-
International Intellectual Capital Ltd	NSW	Ord	100	100	-	-	-	-
Long Term Intellectual Capital Pty Ltd	NSW	Ord	100	100	-	-	-	-
N & K Technology Investments Pty Ltd	VIC	Ord	100	100	-	-	-	-
Darling Downs TV Ltd	QLD	Ord	54	54	-	-	-	-
Eastland Drive-ins Pty Ltd	QLD	Ord	54	54	-	-	-	-
Osmoglen Pty Ltd	QLD	Ord	54	54	-	-	-	-
Zitalane Pty Ltd	QLD	Ord	54	54	-	-	-	-
Hawksbill Pty Ltd	VIC	Ord	54	54	-	-	-	-
Crown Communications (Aust) Pty Ltd	QLD	Ord	54	54	-	-	-	-
Meridian Holdings Ltd	VIC	Ord	54	54	-	-	-	-
Regal Focus Pty Ltd	WA	Ord	100	100	250	250	-	-
					250	250	-	-

NOTE: The investments in all subsidiary companies have been provided for in full and are written down to nil with the exception of Regal Focus Pty Ltd which was acquired on 1 March 2000 for a purchase consideration of \$250,000.

16. AMOUNTS PAYABLE/RECEIVABLE IN FOREIGN CURRENCIES

The Australian dollar equivalents of unhedged amounts payable or receivable in foreign currencies, calculated at year end exchange rates, are as follows:

Current

Amounts receivable	171	56	171	56
--------------------	-----	----	-----	----

Non - Current

Amounts receivable (net of provision for doubtful debts)	86	97	86	97
---	----	----	----	----

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
17. OUTSIDE EQUITY INTERESTS				
Ordinary share capital of controlled entities issued to outside equity interests is:				
Darling Downs TV Ltd.	1,949	1,949		
Interest in reserves Darling Downs TV Ltd	13,909	13,909		
Interest in Accumulated Losses at end of year				
■ Darling Downs TV Ltd	(15,876)	(15,911)		
■ International Intellectual Capital Pty Ltd	(161)	(161)		
Total outside equity interests	(179)	(214)		
18. CASH FLOW INFORMATION				
(a) Reconciliation of Cash				
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	510	316	510	316
	510	316	510	316
(b) Reconciliation of Operating Profit/(Loss) after tax to net cash provided by operating activities				
Profit/(Loss) from ordinary activities after income tax	621	66	545	66
Non-cash flows in profit from ordinary activities				
• (Profit) on sale of non current assets	0	(4)	0	(4)
• Depreciation	122	114	122	114
• Write downs to recoverable amount	43	14	43	14
• Provision for diminutive value not required	(24)	(37)	(24)	(37)
• Shares issued in lieu of expense payments	24	48	24	48
• Provision for non payment of loan	(76)	-	-	-
• Unrealised gains on investments	(374)	-	(374)	-
Change in assets and liabilities:				
(Increase)/decrease in accounts receivable	(437)	(607)	(437)	(607)
(Increase) in prepayments	(18)	(31)	(18)	(31)
Increase in creditors and accruals	269	128	269	128
Increase in current provisions	24	33	24	33
Increase in non-current provisions	21	4	21	4
Nett cash provided used in operating activities	195	(272)	195	(272)

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

CONSOLIDATED		THE COMPANY	
2005	2004	2005	2004
\$000	\$000	\$000	\$000

**18. NOTES TO THE STATEMENTS OF
CASH FLOWS (CONT'D)**

(c) Non-cash Financing and Investing Activities

During the year the company issued 480,000 fully paid shares at an issue price of 5c in lieu of the payment of directors fees.

19. RETAINED PROFITS

Retained profits at the beginning of the financial year	(33,822)	(33,812)	(52,111)	(52,177)
Net profit attributable to the members of the parent entity	586	66	545	66
De-consolidation /adjustments	-	(76)	-	-
Retained profits at the end of the financial year	(33,236)	(33,822)	(51,566)	(52,111)

20. DIRECTORS' AND EXECUTIVES' REMUNERATION

(a) Names and positions held of parent entity directors and specified executives in office at any time during the financial year are:

Directors

Mr A Kent	Chairman – Chief Executive Officer
Mr L Cross	Non - Executive Director
Mr J Stark	Non - Executive Director

Executives

Mr R Hardwick	Chief Financial Officer / Company Secretary
Mr C Bond	Chief Operating Officer
Mr R Roberts	Group Managing Editor

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

20. DIRECTORS' AND EXECUTIVES' REMUNERATION (CONT'D)

(b) Remuneration of parent entity directors

2005

Directors	Director's Fees	Superannuation Contributions	Total
	\$	\$	\$
<u>Non-Executive</u>			
Lewis Cross	24,000	4,320	28,320
John Stark	24,000 (See below)	4,320	28,320
<u>Executive</u>			
Andrew Kent	(See below)	-	-

During the year ending 30th June 2003 the company issued Drysdale Investments Ltd a company associated with Mr Andrew Kent, 9,000,000 fully paid ordinary shares and 9,000,000 10c share options in lieu of the payment of director's fees to Mr Kent for the period of 30th April 2000 to the 30th April 2005. The 9,000,000 10c share options expired on the 30th June 2005.

On the 9th December 2004 the company issued M&P Services Pty Ltd a company associated with Mr John Stark 480,000 fully paid ordinary shares in lieu of the payment of director's fees to Mr Stark for the period of 2nd April 2004 to 2nd April 2005.

2004

Directors	Director's Fees	Superannuation Contributions	Total
	\$	\$	\$
<u>Non-Executive</u>			
Lewis Cross	24,000	-	24,000
John Stark	52,000	-	52,000
<u>Executive</u>			
Andrew Kent	(See above)	-	-

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

(c) Remuneration of specified executives

Executive's emoluments

2005

Executives	Salary	Superannuation Contributions	Total
	\$	\$	\$
Mr R.S Roberts	121,162	10,904	132,066
Mr R.P Hardwick	98,801	8,892	107,693
Mr C.A Bond	88,060	7,925	95,985

2004

Executives	Salary	Superannuation Contributions	Total
	\$	\$	\$
Mr R.S Roberts	113,081	10,177	123,258
Mr R.P Hardwick	91,554	8,239	99,793
Mr C.A Bond	81,229	7,311	88,540

(d) Parent entity directors and executives shareholdings and option holdings

Number of shares held by directors and executives

	Balance 1.7.2004	Received as remunerationm	Net Change purchased or sold	Balance 30/06/2005
Directors				
Mr A Kent and beneficial interests	60,200,000	-	-	60,200,000
Mr J Stark and beneficial interests	21,981,580	480,000	200,000	22,661,580
Mr L Cross and beneficial interets	1,600,000	-	-	1,600,000
Executives				
Mr R Hardwick and beneficial interests	180,000	-	(80,000)	100,000

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

Number of options held by directors and executives:

Director's options

	Balance 1.7.2004	Received as remunerationm	Expired	Balance 30/06/2005
Directors				
Mr A Kent and beneficial interests	53,978,082	-	(53,978,082)	-

Executive options

Name	Number of options granted	Number of options vested	Grant Date	Value of options at grant date	Exercise Price	Date of Expiry
Mr R.S Roberts	250,000	150,000	23.07.2004	\$0.00	\$0.10	23.07.2007
Mr R.P Hardwick	250,000	150,000	23.07.2004	\$0.00	\$0.10	23.07.2007
Mr C.A Bond	250,000	150,000	23.07.2004	\$0.00	\$0.10	23.07.2007

Options granted as part of senior management remuneration have been valued using a Binomial option pricing model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate and expected life of the option

(e) Remuneration practices

The board is responsible for determining the remuneration policies and packages applicable to the board members and senior executives of the company. The broad remuneration policy is to ensure that the remuneration package properly reflects the person's duties, responsibilities, level of performance and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits.

Currently the Executives and Directors remuneration are not specifically linked to the performance of the economic entity except where entitlements exist to participate in the employee share option plan. However to align directors and executives interests with shareholder interests, the directors and executives are encouraged to hold shares in the company. . Further information on director's and executives remuneration is set out in the director's report and notes to the financial statements

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

21. RELATED PARTY TRANSACTIONS

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

a.) Loans from Director related Entities:	2005	2004
	\$000	\$000
Aggregate of amounts payable to directors and their director- related entities.		
Current	-	1,000
Non- Current	1,000	-

The current loan is a convertible note with Drysdale Investments Ltd a company associated with Mr Andrew Kent.

The significant terms include:-

- Principal debt \$1,000,000,
- Interest rate of 10% per annum payable quarterly in arrears,
- The loan is convertible to 50,000,000 ordinary shares in Aspermont Ltd at a conversion price of 2c per share at any time during the term of the loan at the option of the lender,
- The expiry date of the loan has been extended to 30th June 2007.

b.) Other Transactions:

- | | | |
|---|-----|-----|
| • The following fees were paid to Crosscorp Accounting, an accounting practice associated with a director, Lewis Cross. The fees were based on normal commercial rates for works performed. | 7 | 14 |
| • On the 30 th April 2004 the company entered into an office lease agreement with Ileveter Pty Ltd a company associated with Mr Andrew Kent. The terms of the lease are within normal commercial rates and were reviewed and approved by the independent directors. Amounts paid to Ileveter Pty Ltd during the year were: | 118 | - |
| • Amounts paid or payable to Drysdale Investments Limited during the year pursuant to the convertible note agreement: | 137 | 100 |

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

22. FINANCIAL INSTRUMENTS:

Interest Rate Exposure

The economic entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates and financial liabilities, is as follows:

	Weighted average effective interest rate		Floating interest rate		Fixed interest rate maturing within				Non – interest bearing	
	2005	2004	2005	2004	One year		One to five years		2005	2004
Financial Assets	%	%	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Cash at Bank	4.00	4.00	510	316	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	1,771	1,363
Total financial assets			510	316	-	-	-	-	1,771	1,363
Financial liabilities										
Interest bearing liabilities	10.00	10.00	-	-	-	1,000	1,000	-	-	-
Trade payables and other creditors	-	-	-	-	-	-	-	-	1,494	1,133
Total financial liabilities			-	-	-	1,000	1,000	-	1,494	1,133

Credit Risk Exposure

The maximum exposure to credit risk, excluding the value of any collateral or other security at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to and forming part of the financial statements.

The economic entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic entity.

Net Fair Values

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and notes to and forming part of the financial statements. The net fair values of listed investments have been valued at the quoted market bid price at balance date. For unlisted investments where there is no organised financial market the net fair value has been based on recent shares sales and the estimation of the underlying net assets.

**ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

23. AFTER BALANCE DATE EVENTS

Directors and Executive share option plan

On the 5th August 2005 the directors agreed to issue the following options:-

Name	Grant Date	Date of Expiry	Exercise Price	Number of Options
Andrew Kent (refer below)	01.07.2005	30.06.2010	\$0.225	9,000,000
Russell Hardwick	01.07.2005	30.06.2008	\$0.225	250,000
Chris Bond	01.07.2005	30.06.2008	\$0.225	250,000

The issue of 9,000,000 options to a director is subject to approval of shareholders at the annual general meeting to be held during November 2005.

Controlled Entities

During August 2005, Darling Downs TV Ltd a controlled entity of Aspermont Limited (53.9%) executed a share sale and allotment agreement. The effect of this agreement is that upon settlement Darling Downs TV Limited will no longer be a controlled entity of Aspermont Limited. Settlement of the agreement is expected to occur during October 2005. The benefit to Aspermont will be the potential to realise future benefits from its investment in Darling Downs as well as reduced compliance and secretarial costs in maintaining the company.

ASPERMONT LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005

24. SEGMENT INFORMATION.

The economic entity operates solely in the media publishing industry within Australia.

INFORMATION ABOUT BUSINESS SEGMENTS

(All amounts \$ thousand)

Segments	Revenue		Results		Assets		Liabilities	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Print Media	4,267	3,426	1,040	732	3,211	3,102	677	558
Internet Media	1,842	1,293	(138)	(241)	563	531	807	511
Corporate	722	558	(316)	(425)	3,277	1,090	1,276	1,371
Total	6,831	5,277	586	66	7,051	4,723	2,760	2,440

Business segments

The above industry segments derive revenue from the following products and services: -

- **Print Media** - Subscriptions and Advertising revenue from the publications covering the mining, contracting and resources sector.
- **Internet Media** - The internet media segment develops and maintains website & daily news services covering mining, energy, construction and longwalls sectors.
- **Corporate** - Corporate advisory and general investment income.

These segments are the basis on which the Group reports its primary segment information. Financial information about business segments is presented in the schedule on the previous page.

Geographical segments:

The Group's two divisions are managed and operated solely within Australia.

Segment revenues and expenses :

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

ASPERMONT LIMITED AND CONTROLLED ENTITIES
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24. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities:

Segment assets include all assets used by a segment and consist principally of receivables and property, plant and equipment, net of allowances and accumulated depreciation and amortisation. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of accounts payable, wages and accrued expenses. Segment assets and liabilities do not include deferred income taxes.

Inter-segment transfers :

There are no inter-segment transactions at this time.

	CONSOLIDATION	
	2005	2004
25. EARNINGS PER SHARE (EPS)		
Basic earnings per share (cents per share)	0.448c	0.058c
Diluted earnings per share (cents per share)	0.378c	0.102c
a. Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	130,584,833	112,627,177
b. Weighted average number of ordinary shares outstanding during the year used in calculation of diluted EPS	181,084,833	162,627,177

The following securities have been classified as potential ordinary shares and are included in the determination of dilutive EPS

- 500,000 options outstanding
- 50,000,000 shares upon the potential conversion of the note issued to Drysdale Investments Limited.

	CONSOLIDATED		THE COMPANY	
	2005	2004	2005	2004
Proposed final franked ordinary dividend of nil (2004: Nil)	-	-	-	-
Proposed final unfranked ordinary dividend of nil (2004: Nil)	-	-	-	-
	-	-	-	-

As at 30 June 2005, the parent entity's dividend franking account has a balance of nil (2004: Nil) adjusted for franking credits arising from payment of income tax payable, payment of proposed dividends and franking credits that may be prevented from distribution in subsequent financial years.

ASPERMONT LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED
2005 2004

27. CAPITAL AND LEASING COMMITMENTS

Operating Lease Commitments

Non-Cancellable Operating Leases contracted for but not capitalised in the financial statements

Payable:

— Not later than 1 year	187	121
— Later than 1 year but Not later than 5 years	713	775

	900	896
	=====	=====

The company currently has one property lease at 613-619 Wellington St Perth W.A. The lease is a non-cancellable lease with a five-year term that commenced on 28th April 2004. Rent is payable monthly in advance and included a six month rent-free period to the 28th October 2004.

28. GOING CONCERN

The statement of financial position of the parent entity discloses an excess of liabilities over assets at 30 June 2005 of \$13,860,000. This has arisen in prior years from abnormal write-downs of loans with 100% controlled entities which are not currently trading. These loans eliminate on consolidation and the consolidated statement of financial position discloses an excess of assets over liabilities amounting to \$4,291,000. Accordingly, the parent entity and economic entity do not have a going concern issue at 30 June 2005.

29. LEGAL PROCEEDINGS

The company has previously advised that:

- 1) It had terminated the agreement with Excalibur Mining Corporation Ltd ("Excalibur") for the sale of its shareholding in Magyar Mining plc for \$4,290,000.
- 2) It would be claiming damages from Excalibur for breach of the agreement; and
- 3) Excalibur's performance of its obligations under the agreement in relation to the satisfaction of the purchase price was irrevocably and unconditionally guaranteed by Strata Mining Corporation Ltd ("Strata").

Aspermont has commenced proceedings against Excalibur and Strata in the Federal Court of Australia claiming damages from them for breach of the agreement and the guarantee respectively and also for misleading conduct contrary to section 52 of the *Trade Practices Act 1974*. In the proceedings Aspermont is also claiming damages from Mr Stephen Miller, a director of Strata, for misleading conduct contrary to section 10 of the *Fair Trading Act 1974* (WA).

The company has brought to account the amount of \$600,000 as revenue during the financial years ending 30th June 2004 and 30th June 2005 in relation to agreements reached with Strata Mining Corporation Limited ("Strata"). The company has received \$75,000 in part payment of this amount and the balance remains the subject of Federal Court proceedings for recovery.

29. LEGAL PROCEEDINGS (CONTINUED)

If the company is unsuccessful in its claims against Excalibur and Strata, the company may have to reverse the remaining balance of \$525,000 previously recorded as income and recorded as a current receivable in this financial report. This would result in a reduction of both net profit and net assets by \$525,000 in the financial period in which the claims are judged unsuccessful

The directors are of the opinion that the matter will be resolved favourably and the company is hardened in its resolve to seek a successful outcome.

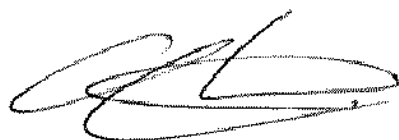
ASPERMONT LIMITED AND CONTROLLED ENTITIES
DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes thereto are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards and the Corporations Regulations 2001; and
 - b. give a true and fair view of the financial position as at 30 June 2005 and of the performance for the year ended on that date of the company and economic entity;
2. the Chief Executive Officer and Chief Finance Officer have each declared that:
 - a. the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - b. the financial statements and notes for the financial year comply with the Accounting Standards; and
 - c. the financial statements and notes for the financial year give a true and fair view.
3. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Dated this 20th day of September 2005



Andrew Kent
Director



Lewis Cross
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASPERMONT LIMITED

Scope

The financial report comprises the statement of financial position, statement of financial performance, statement of cashflows, accompanying notes to the financial statements and the director's declaration for Aspermont Limited for the year ended 30 June 2005. The consolidated entity comprises both the Company and the entities it controlled at the year's end or from time to time during the financial year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit of this financial report in order to express an opinion on it to the members of the Company. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether, in all material respects, the financial report presents fairly, in accordance with the Corporation Act 2001, including compliance with Accounting standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included: -

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

In accordance with ASIC Class Order 05/83, we declare to the best of our knowledge and belief that the auditor's independence declaration set out in the financial report has not changed as at the date of providing our audit opinion.

ACCOUNTANTS
AND ADVISERS
TO BUSINESS

PARTNERS
KIM BRIDGES FCPA
D.J. HERNIMAN
MR J. WARDLICH BSC FCPA
MR P. PITTALONE
MR. HILLMAN

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Audit Opinion

In our opinion, the financial report of Aspermont Limited is in accordance with:

(a) the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30th June 2005 and of their performance for the year ended on that date; and
- (ii) complying with Accounting Standards and the Corporations' Regulations 2001; and

(b) other mandatory professional reporting requirements in Australia

MSI Marsdens
Perth By



M J Waterson
Partner

Dated at Perth this 29th day of September 2005

ASPERMONT LIMITED A.C.N. 000 375 048 AND CONTROLLED ENTITIES
ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES
(AS AT 7th SEPTEMBER 2005)

The following additional information is required by the Australian Stock Exchange Ltd in respect of listed public companies.

a) Shareholding

Ordinary Share Capital

132,619,792 shares are held by 907 individual holders

All issued ordinary shares carry one vote per share

Distribution of Shareholders Number

Category (size of Holding)	Ordinary shares
1 – 1,000	490
1,001 – 5,000	78
5,001 – 10,000	130
10,001 – 100,000	133
100,001 – and over	76
	907

The number of shareholdings held with less than a marketable parcel is 568.

b) Share Options 10c expiry July 2007 (Unquoted)

Quantity	Number of holders
750,000	3

c) Company Secretary

The names of the Company Secretaries are Mr Russell Hardwick & Mr Lewis Cross

d) Principal registered office

The address of the principal registered office in Australia is 613-619 Wellington St 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

Western Australia 6009

f) Stock Exchange Listing

Quotation has been granted for all of the ordinary shares of the company on all Member
Exchanges of the Australian Stock Exchange Limited.

ASPERMONT LIMITED A.C.N. 000 375 048 AND CONTROLLED ENTITIES
ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

g) Substantial Shareholders

The names of substantial holders as at 7th September 2005 are:

Mr Andrew Kent and beneficial interests	60,200,000	45.39
Mr John Stark and beneficial interests	22,661,580	17.09

h) 20 Largest Shareholders – Ordinary shares

	Name	Number of Ordinary fully paid Shares Held	% Held of Issued Ordinary Capital
1	Drysdale Investments Ltd	51,000,000	38.45
2	Annis Trading Ltd	9,000,000	6.79
3	Allandale Holdings Pty Ltd	8,055,000	6.07
4	Mr John Stark	6,133,487	4.80
5	ANZ Nominees Pty Ltd	3,699,646	2.77
6	M & P Services Pty Ltd	3,545,000	2.67
7	Alan Cowan	3,192,464	2.41
8	Chepan Pty Ltd	3,010,000	2.27
9	Allandale Real Estate Super Fund	2,510,000	1.90
10	Mr Joseph Anthony Cannavo	2,481,467	1.87
11	Cannavo Investments Pty Ltd	2,250,000	1.70
12	Mr Yeak Hui Tan	2,081,746	1.57
13	Mr Thomas George Klinger	2,023,724	1.52
14	Vernon Finance Limited	1,820,245	1.37
15	A & C Gal Investments Pty Ltd	1,539,633	1.16
16	Peterborough Nominees Pty Ltd	1,500,000	1.13
17	National Nominees Limited	1,177,489	0.88
18	Mr Chris Vallas	1,120,000	0.84
19	Allandale Real Estate Pty Ltd	1,008,093	0.76
20	Mr Rhoderic White	1,000,000	0.75
		108,147,994	81.68