



Aspermont (ASP) 1.2c

Rather than being convinced print media is dead, the publishing house is treating its specialist mags as premium offerings that complement digital subscriptions.

Given Aspermont erected a paywall around its miningnews.net title way back in 2001, the resources-oriented Aspermont has a boot firmly in both the old and new media camps. "When everyone said the internet was free, Aspermont's growth model was based on a subs-based platform," says CEO Alex Kent.

Aspermont owns the 180-year-old *Mining Journal*, courtesy of its 2008 takeover of British rival Mining Communications. The deal also delivered the Mines and Money conference franchise, as well as *Mining Magazine* (founded in 1906 by future US president Herbert Hoover). "This year we reached the crossing point where digital revenue outpaced the decline in print ads," Kent says.

Still, print accounts for 18 per

cent of revenue and Kent proudly points to the *Mining Journal's* 64-page bumper issue.

Kent says 60 per cent of digital subscribers opt for the "premium experience" of a print issue as well. "We don't see that medium going away anytime soon," he says.

Under Kent, who started in March last year, Aspermont has focused on semantic search platforms to gather — and make sense of — data on customer behaviour. A subscriber showing signs of lapsing is administered tender loving care. "If usage patterns drop we will move to re-energise them," Kent says.

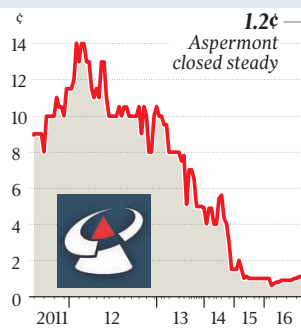
Sadly for investors, Aspermont's efforts to date has been a profitless endeavour. But there are signs of a turnaround amid a balance sheet revamp.

To reduce its \$7m of debt, Aspermont has completed a \$2m placement and \$3m raising (at 1c apiece), with 77 per cent of investors taking up their entitlement. Aspermont also plans to convert \$5m of related-party debt into equity.

Aspermont lost \$2.9m of EBITDA in 2014-15, but narrowed the shortfall to \$900,000 in the first half of the current year. Management forecasts a \$1m-\$1.4m loss for the full 2015-16 year, with profits restored for the current year.

Aspermont is an alternative play on the mining recovery, which is fast gaining traction if the perky mood at last week's Diggers & Dealers gabfest is any guide. **Spec buy.**

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Source: Bloomberg