

31 July 2017

Record sales in June quarter

- Sales \$1.55 million, up 119% over the previous corresponding quarter and up 54% from Q3 FY17
- Significant renewals and new major clients secured in July 2017

Xref Limited (ASX:XF1), the human resources technology company, today reported record quarterly sales for the fourth quarter (Q4 FY17).

Sales for the fourth quarter were \$1.55 million, more than double sales of \$710k (up 119%) for Q4 FY16 and up 54% compared to Q3 FY17 (\$1.01 million). The fourth quarter included a new monthly sales record of \$0.85 million in June 2017. Sales for the full FY2017 (unaudited) were more than \$4.1 million, an increase of 137% compared to sales for FY2016.

New clients secured since 1 July 2017 include Allambi Care; Child, Youth and Family Intervention Service; Estia Health, Guardian Early Learning Group, National Nurses Plus; Queensland Treasury and Woods Bagot in Australia, and FMG Insurance (formerly Farmers Mutual Group) and New Zealand Police in New Zealand.

New clients added during the fourth quarter in Australia and New Zealand include Airbus, Cotton On, Department of Premier and Cabinet (Victoria), ME Bank, Mercy Health, NBN, Reserve Bank of Australia, Sodexo, Transurban and Vision Australia. New European clients included the Chelsea Football Club, the Chelsea Foundation University of Exeter and CDC Group; and in North America, Bruce County Council, Konica and Lindt.

Key client renewals since 1 July 2017 include OneSteel, Xero, Salvation Army (UK), Bruce County Council (Canada) and Wirecard (Dubai). Significant renewals during the fourth quarter included Caltex, Fitness First, Fletcher Building, Hays, Hudson, Michael Hill, New Horizons and Transport NSW.

Channel growth

During the quarter Xref commenced a partnership with Bullhorn, a global leader in customer relationship management (CRM) and operations software for the staffing industry. Integration between the two companies' platforms is already 'live' and Xref is working with Bullhorn to onboard clients in Australia and overseas. Xref's brand and features are prominent on Bullhorn's platform, enabling access to Xref's platform for Bullhorn clients, which include more than 7,000 staffing companies in 150 countries. The companies have embarked on a joint marketing initiative to educate clients and cross-sell services.

Six channel integrations are now 'live' worldwide including Bullhorn, Oracle Taleo, Expr3ss!, SmartRecruiters, iCIMS and Workday applicant tracking systems. Integration with applicant tracking systems is an important component of Xref's global growth strategy as it allows enterprise companies to include Xref in their human resource departments' workflow, benefiting Xref through quick onboarding of new clients.

Global platform and new products

Having purchased the Xref.com domain name in May 2017, on 1 July Xref transitioned its services globally and [rebranded](#) its candidate referencing platform. The xref.com domain strengthens the value of the Xref brand and simplifies clients' access to Xref's platform globally.

A new Sentiment analysis engine provides employers with an increased sense of a candidate's professional performance and suitability for a role. The engine leverages an algorithm which examines reference responses and rates feedback as positive, negative or neutral. The algorithm offers a new method of data analysis which interprets the referee's 'tone of voice' for the employer. This reduces the chance that a reference is misinterpreted and provides a new indicator to detect the possibility of fraud. Xref has filed a patent application for the system in Australia.

HRD Employer of choice Gold Award

In May 2017 Xref received Human Resource Director (HRD)'s 'Employer of choice' gold award for companies with less than 100 employees, and was also a top performer in three sub-categories: access to technology, leadership, and health and wellbeing. The award is a significant achievement which reflects a high level of employee engagement and the strength of Xref's culture.

Corporate

At 30 June 2017 Xref held \$4.1 million in cash. The group continues to invest in its global growth, staff and software platform to expedite sales growth. During the quarter Xref divested the remaining exploration assets acquired with the corporate shell of King Solomon Mines for the consideration of \$2.

Executive director / CEO Lee-Martin Seymour said: *"We have had a great start to FY2018 with new clients signed and significant renewals in key markets. This follows a record quarter, and we were pleased to significantly exceed 100% year-on-year growth. We have maintained tight control on costs and continue to manage our resources well."*

Executive director / CTO Tim Griffiths said: *"Our channel strategy provides an efficient way of onboarding new clients without the need for a large sales team, and we are continuing to introduce new products. We are excited by the potential of the Xref Sentiment engine which extends our platform's capability for employers."*

Non-executive Chairman Brad Rosser said: *"Xref is delivering on its global growth strategy, and making significant progress on all key metrics. The company continues to allocate resources optimally and is increasing market share in Australasia, Europe and North America."*

Xref's software as a service (SaaS) platform collects 60% more data five times faster than traditional methods and, by automating a vital task, protects companies from fraud, discrimination and privacy breaches. It is used by more than 600 clients across 7 countries.

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