

26 October 2023

Q1 FY24 Quarterly Activities Report and Appendix 4C

Chrysos Corporation Ltd (ASX:C79) ("Chrysos" or the "Company") is pleased to deliver its Quarterly 4C Report and summary of its activities for the period ended 30 September 2023 (Q1 FY24).

Highlights

- Total Revenue¹ of \$8.9m, reflecting 4% growth Quarter-on-Quarter (QoQ) (9% excluding sample jars) and 73% growth Year-on-Year (YoY) (84% excluding sample jars)
- Sample volumes increased to 1.0m, reflecting 4% growth QoQ and 37% growth YoY
- 22 PhotonAssay™ units currently deployed; with two new units becoming operational within the reporting period
- Successful redeployment of the PhotonAssay™ unit originally deployed to Morila Gold Mine, Mali, into a commercial MSALABS facility in Bamako, Mali
- Well financed for continued global growth with \$33.0m cash in bank as of 30 September 2023, plus undrawn debt funding of \$22m with the Commonwealth Bank of Australia (CBA) and broader debt discussions progressing

Chrysos Managing Director and CEO Dirk Treasure commented:

"Chrysos' financial and operational momentum continued with a strong 9% QoQ increase in PhotonAssay revenue through Q1 FY24. During the Quarter, we installed two new PhotonAssay™ units within key mining hubs in Tanzania and Ghana, and successfully redeployed another unit in Mali. We continue to experience accelerating interest in our technology from major players across the international market."

Q1 FY24 Key Performance Metrics

| | Q1 FY24 | YoY comparison to Q1 FY23 | QoQ Comparison to Q4 FY23 |
|--|----------|------------------------------|------------------------------|
| Deployed units <i>current</i> | 22 22 | 12 | 20 |
| PhotonAssay™ Lease Agreements <i>current</i> | 49 49 | 48 | 49 |
| Samples Processed | 1.0m | 740k +37% | 978K +4% |
| Unaudited Total Revenue¹ | \$8.9m | \$5.1m +73% | \$8.6m +4% |
| Minimum Monthly Assay Payments (MMAP) | \$7.7m | \$3.8m +103% | \$6.8m +14% |
| Additional Assay Charges (AAC) | \$1.1m | \$1.0m +13% | \$1.4m -16% |

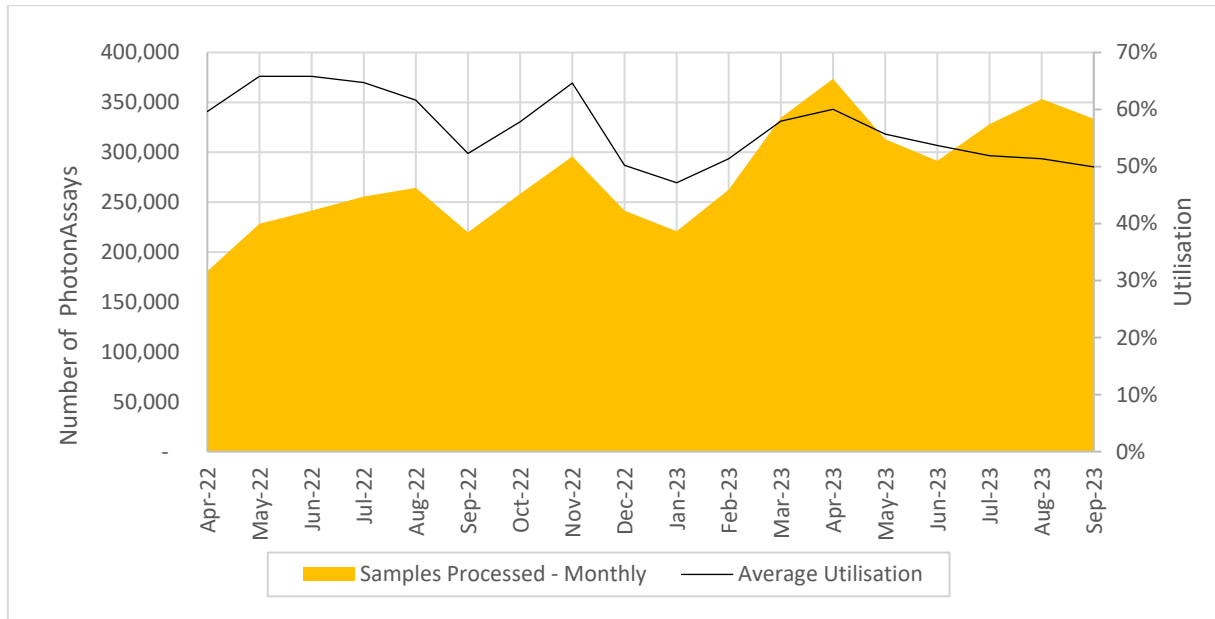
Operational Highlights

- During the Quarter, Chrysos' global deployment team installed one new PhotonAssay™ unit in Tarkwa, Ghana and another new unit in Geita, Tanzania
- Post-Quarter, the MSALABS Morila, Mali unit was successfully redeployed to Bamako, Mali.
- The global deployment team is currently installing three new units in Canada for laboratory customers ALS, MSALABS and Britannia Mining Solutions (BMS), as well as an additional unit in Ghana with Intertek (ITK).

¹ Revenue is unaudited and includes operating lease and other income.

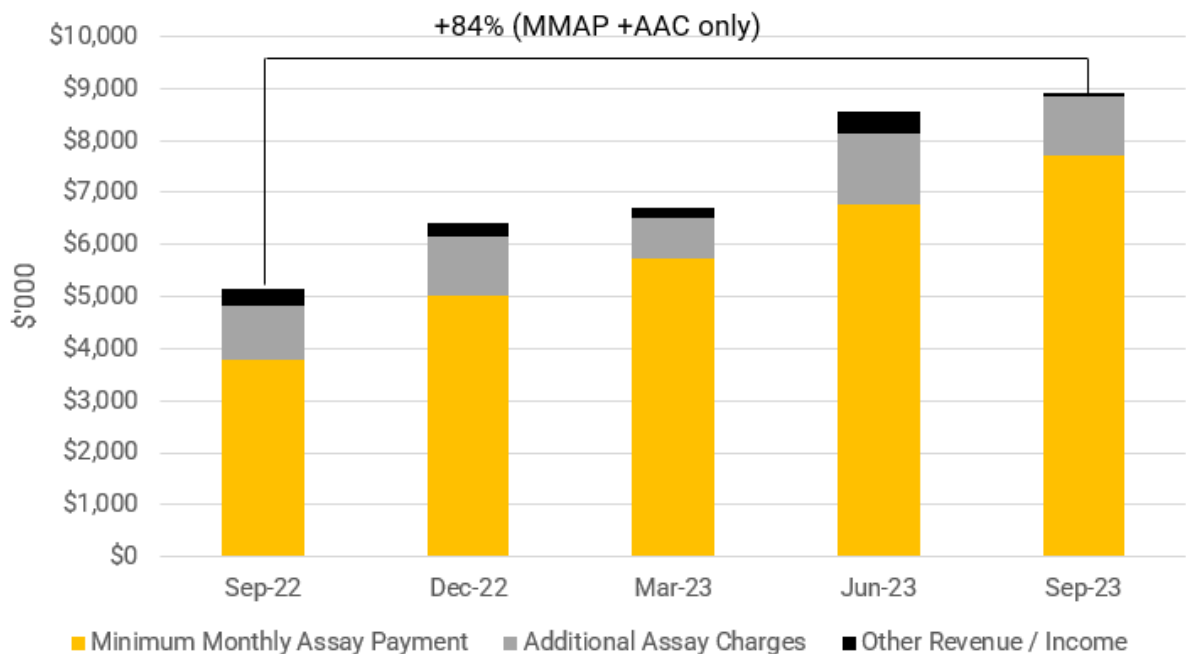


Chart 1: Deployed Unit Utilisation & Samples Processed



Sample volumes continued to increase QoQ. In total, 1.0m samples were processed during the reporting period, representing another record Quarter for Chrysos.

Chart 2: Quarterly Growth in MMAP, Additional Assay Charges & Other Income



Chrysos' revenue model continues to provide strong reliable cashflows to the Company from deployed units. Unaudited Total Revenue was \$8.9m during the Quarter, an increase of 4% QoQ, whilst total assay revenue (MMAP plus AAC) grew 9% QoQ, or 84% YoY.



Revenue growth was driven by Minimum Monthly Assay Payments (MMAP) which increased 14% QoQ, in line with Chrysos' growing deployed unit base. Additional Assay Charges (AAC) were \$1.1m for the Quarter, a decrease of 16% QoQ. Recent data released by the Australian Bureau of Statistics shows a 15% increase in gold exploration spend for the June Quarter over the March Quarter², suggesting the Australian gold exploration industry may soon be returning to growth in sample volumes. Other Income reduced to \$51k as the Company enacted its decision to discontinue the provision of sample jars and lids to customers as outlined in our previous releases.

Cash Flow Summary

During Q1 FY24, Chrysos recorded cash receipts from PhotonAssay™ customers of \$7.7m, compared to \$6.6m in Q4 FY23.

Q1 FY24 net operating cash inflows totaled \$1.1m, compared to cash outflows of \$0.6m in Q4 FY23, reflecting a return to operational cash flow positive for the quarter.

During the Quarter, with regard to both collections and outgoings, cashflows were in line with expectations. Staff, corporate and administration costs grew in line with Chrysos' global expansion strategy and the increased operational structure required to deliver at least 18 units deployed this financial year.

In accordance with ASX Listing Rule 4.7C, Chrysos advises payments to related parties and their associates for Q1 FY24 was \$169k. These payments were related to Director fees and expenses paid to Directors and their associates, as well as rent to the CSIRO which is a substantial shareholder of Chrysos Corporation.

Chrysos Corporation ended Q1 FY24 with \$33m cash in the bank and undrawn debt facilities of \$22m

A copy of the Appendix 4C – Quarterly Cash Flow Report for the Quarter is appended.

Investor Webcast

Dirk Treasure, Managing Director and CEO of Chrysos Corporation, and Chrysos' CFO Brett Coventry, will host a webcast and conference call for analysts and investors at 10.30am AEDT today.

The links for participant registration are available below.

Webcast: <https://s1.c-conf.com/diamondpass/10033930-xc0rgo.html>

Conference call: <https://webcast.openbriefing.com/c79-q1-2023/>

ENDS

² <https://www.abs.gov.au/statistics/industry/mining/mineral-and-petroleum-exploration-australia/latest-release>



Faster, more accurate gold analysis

About Chrysos Corporation

Headquartered in Adelaide, with operations spanning Australia, Canada and Africa, Chrysos Corporation combines science and software to create technology solutions for the global mining industry. The Company's flagship product PhotonAssay™ delivers faster, safer, more accurate and environmentally-friendly analysis of gold, silver, copper and other elements. For more information about Chrysos or its PhotonAssay™ technology, visit www.chrysoscorp.com

For enquiries, please contact:

| | | | |
|----------------------------|----------------|-----------------|--|
| Catherine Strong | Citadel-MAGNUS | +61 406 759 268 | cstrong@citadelmagnus.com |
| Chrysos Investor Relations | | +61 8 7078 4571 | investors@chrysoscorp.com |

This announcement was authorised for release by the Chair of Chrysos Corporation Limited.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Chrysos Corporation Limited

ABN

76 613 131 141

Quarter ended ("current quarter")

September 2023

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|------------------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 7,702 | 7,702 |
| 1.2 Payments for | | |
| (a) research and development | (63) | (63) |
| (b) product manufacturing and operating costs | (528) | (528) |
| (c) advertising and marketing | (59) | (59) |
| (d) leased assets | (321) | (321) |
| (e) staff costs | (4,026) | (4,026) |
| (f) administration and corporate costs | (2,329) | (2,329) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 450 | 450 |
| 1.5 Interest and other costs of finance paid | (486) | (486) |
| 1.6 Income taxes paid | 735 | 735 |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | 1,075 | 1,075 |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) businesses | - | - |
| (c) property, plant and equipment | (20,819) | (20,819) |
| (d) investments | - | - |
| (e) intellectual property | (1,092) | (1,092) |
| (f) other non-current assets | - | - |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 2.2 | Proceeds from disposal of: | | |
| | (a) entities | | - |
| | (b) businesses | - | - |
| | (c) property, plant, and equipment | - | - |
| | (d) investments | - | - |
| | (e) intellectual property | - | - |
| | (f) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | (21,911) | (21,911) |

| | | | |
|-------------|---|-------------|-------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 135 | 135 |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | - |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | (211) | (211) |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) (Repayment of Customer Debt) | - | - |
| 3.10 | Net cash from / (used in) financing activities | (76) | (76) |

| | | | |
|-----------|--|----------|----------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 53,359 | 53,359 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | 1,075 | 1,075 |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (21,911) | (21,911) |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | (76) | (76) |
| 4.5 | Effect of movement in exchange rates on cash held | 520 | 520 |
| 4.6 | Cash and cash equivalents at end of period | 32,967 | 32,967 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|----------------------------|-----------------------------|
| 5.1 | Bank balances | 9,745 | 15,454 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (term deposits) | 23,222 | 37,905 |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 32,967 | 53,359 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|---|--|----------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 169 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | |
| <p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Includes directors fees and rent paid to CSIRO for the quarter.</p> | | |

| | | | |
|-----------|---|---|--|
| 7. | Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
| 7.1 | Loan facilities | 30,000 | 8,454 |
| 7.2 | Credit standby arrangements | - | - |
| 7.3 | Other (please specify) | - | - |
| 7.4 | Total financing facilities | 30,000 | 8,454 |
| 7.5 | Unused financing facilities available at quarter end | | 21,546 |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. Loan facilities are with the Commonwealth Bank, covenants are to be reported quarterly and is secured by a general security interest over the assets of the Company. | | |

| | | |
|-----------|--|----------------|
| 8. | Estimated cash available for future operating activities | \$A'000 |
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | 1,075 |
| 8.2 | Cash and cash equivalents at quarter end (item 4.6) | 32,967 |
| 8.3 | Unused finance facilities available at quarter end (item 7.5) | 21,546 |
| 8.4 | Total available funding (item 8.2 + item 8.3) | 54,513 |
| 8.5 | Estimated quarters of funding available (item 8.4 divided by item 8.1) | N/A |
| | <i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i> | |
| 8.6 | If item 8.5 is less than 2 quarters, please provide answers to the following questions: | |
| 8.6.1 | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| | Answer: | |
| 8.6.2 | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| | Answer: | |
| 8.6.3 | Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? | |
| | Answer: | |
| | <i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i> | |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 26 October 2023

Authorised by: Brett Coventry - Chief Financial Officer &
Company Secretary

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.