

22 February 2024

Chrysos Corporation 1H FY24 Results

Chrysos Corporation Ltd (ASX:C79) (“Chrysos” or the “Company”) today announces its financial results for the six months ended 31 December 2023 (1H FY24).

Highlights

- Total Unaudited Revenue¹ of \$19m, +64% growth Year-on-Year (YoY) (1H FY23: \$11.5m)
- EBITDA of \$2.3m; +262% growth on 1H FY23 (\$0.63m) highlighting improved margin conversion
- Global partnership with Barrick Gold and MSALABS to deploy up to 13 PhotonAssay™ units, showcasing continuing adoption by one of the world’s largest gold miners
- Strong cash position of \$85m as of 31 December 2023, including proceeds from \$75m Institutional Placement, and supported by an increased Commonwealth Bank of Australia (CBA) debt facility providing a total of \$180m available for growth
- FY24 financial guidance unchanged from Q2 FY24 Announcement and 4C

Chrysos Managing Director and CEO Dirk Treasure, commented:

“Chrysos achieved +64% year-on-year growth in revenue during the reporting period, with a strong +262% growth in EBITDA. Our EBITDA margin improved, driven by our strategy to scale efficiently in key mining hubs. The company is well positioned for further growth supported by a strong cash balance, and boosted by our successful \$75m Institutional Placement and increased funding facility from the CBA.”

“A key achievement during the half-year was our new global partnership with Barrick Gold and MSALABS to deploy up to 13 PhotonAssay units to Barrick mine sites across four continents by the end of 2025. This partnership is a watershed moment for the business and is validation, by one of the world’s largest miners, of PhotonAssay’s superiority in the gold analysis space.”

Table 1 – 1H FY24 Key Performance Metrics

	1H FY24	YoY comparison to 1H FY23
Deployed units	24	14
<i>current</i>	27	
PhotonAssay™ Lease Agreements	49	49
<i>current</i>	49	
Total Unaudited Revenue¹	\$19.0m	\$11.5m +64%
Minimum Monthly Assay Payments (MMAP)	\$16.6m	\$8.8m +88%
Additional Assay Charges (AAC)	\$2.3m	\$2.1m +8%
EBITDA	\$2.3m	\$0.63m +262%
EBITDA Margin	12.0%	5.5%

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



Operational Highlights

- Chryso announced a global partnership with Barrick Gold and MSALABS to deploy PhotonAssay™ to Barrick mine sites across four continents.
- Chryso's global deployment team installed four new PhotonAssay™ units and redeployed one unit in Mali for MSALABS. Three further units were deployed following the close of the Half with two into Canada and one into the UK.
- Customer site readiness and contractor availability challenges over the December-January holiday period led to delays for a number of installations.
- Chryso has evolved customer-engagement programmes to streamline upcoming deployments and mitigate any unforeseen deployment delays. In addition, the Company continues to grow its deployment team responsible for overseeing the installation and commissioning of new units.

Financial Performance

Chryso reported unaudited revenue of \$19.0m, reflecting growth of 64% on 1H FY23 (\$11.5m). Total revenue was principally comprised of Minimum Monthly Assay Payments (MMAP) of \$16.6m (1H FY23: \$8.8m) and Additional Assay Charges (AAC) of \$2.3m (1H FY23: \$2.1m). Additionally, Chryso reported \$0.86m in interest income. Chryso's revenue structure continues to shift towards a higher proportion of secure forecastable revenue from MMAP as the technology becomes more established in the industry.

EBITDA was \$2.3m, an increase of +262% on 1H FY23 (\$0.63m) due to cost savings derived from the Company's unit clustering strategy. Chryso's EBITDA margin was 12.0%, in comparison to 5.5% for 1H FY23 which reflects the improved economics of its growing number of PhotonAssay™ deployments.

The Group was operating cashflow positive during the Half with \$0.6m in Net Operating Cash Inflow, enabling reinvestment in growth, specifically the deployment of PhotonAssay™ units.

During the Half-Year, Chryso completed a \$75m (before costs) Institutional Placement. These funds are supporting the Company's PhotonAssay™ global expansion strategy and provide optionality to expand annual deployment capacity in context with its growing sales opportunity pipeline.

The Group's balance sheet has strengthened substantially, with cash at \$85m and a CBA debt facility of \$95m bringing a total of \$180m of available funds for PhotonAssay™ unit deployment.

Outlook

Chryso's strong contracted deployment pipeline and manufacturing capacity supports the Company's growth to the end of 2025. Similarly, the sales opportunity pipeline for further contracts from new and existing miners and laboratories remains strong.

FY24 financial guidance is unchanged, with EBITDA guidance comfortably within the forecast range, benefiting from improved economics related to unit clustering in key mining regions, while revenue is tracking at the lower end of the forecast range.

- FY24 EBITDA - comfortably within the forecast range of \$7m to \$17m
- FY24 Revenue - tracking at the lower-end of forecast range of \$48m to \$58m

Chryso is well positioned to sustain its global deployment strategy with \$85m cash-on-hand and \$95m in undrawn debt.



Investor Webcast

Chrysos Managing Director and CEO, Dirk Treasure, 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://webcast.openbriefing.com/c79-hyr-2024/>

Conference call: <https://registrations.events/direct/OCP98062>

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About Chrysos Corporation

Headquartered in Adelaide, with operations spanning Australia, Canada, the UK 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

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