2020 Annual General Meeting, 23 October 2020, Perth:

Full Year Results – Overview

	Full Year Results			
($m)	2020	2019	2018	2017
Sales revenue	29.1	29.0	24.2	21.5
Profit before tax	4.5	3.2	1.5	1.0
Net profit after tax	**3.1**	**2.1**	**1.0**	**0.8**
Earnings per share (cents)	2.3	1.6	0.8	0.6
Weighted average no. of shares	133,825,803	133,825,803	133,825,803	133,825,803
Dividends (cents per share)	1.4	1.0	0.30	0.24
Dividend payout ratio	60%	63%	39%	40%

Adjusted Profit Before Tax ($)	FY2020	FY2019
Profit before tax	**4,454,254**	**3,151,229**
COVID-19 wages subsidies	(212,729)	
COVID-19 other grants/subsidies	(74,776)	
COVID-19 payroll tax refunds	(82,837)	
Interest on early loan repayment	22,496	
Redundancy and other employee payments	97,328	
Adjusted profit	**4,203,736**	**3,151,229**

Adjusted Profit Before Tax (Quarterly) ($)	FY2020
September 2019	913,028
December 2019	1,359,378
March 2020	986,378
June 2020	944,952
Total	**4,203,736**

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Good morning ladies and gentlemen, I'm pleased to report to you our financial results.

For FY20, $29.1m in revenue was generated, which resulted in a statutory net profit after tax of $3.1m, which was a 46% increase on the prior year.

2020 was one of the most challenging years for XRF since our IPO in 2006. As a result of actions taken by our team over the years, XRF was mostly insulated from the impacts of COVID-19.

Debt was reduced significantly in the last quarter of the year and was $0.9m at 30 June 2020 compared to $2.3m at 30 June 2019.

The dividend was increased by 40% to 1.4 cents per share, maintaining a payout ratio of 60%.

Consumables

($m)	FY20	FY19
Sales revenue	**8.9**	**8.0**
Change in %	11%	6%
NPBT	**2.5**	**2.2**
Change in %	18%	35%
Margin %	**29%**	**27%**

- **Overview of FY20:**
  - Revenue up 11% on FY19
  - NPBT up 18% on FY19
  - No notable impact from COVID-19
  - Conditions buoyant in the mining sector across production and exploration
  - New customers acquired during FY19 now delivering regular revenue

Net Profit Before Tax ($'000)

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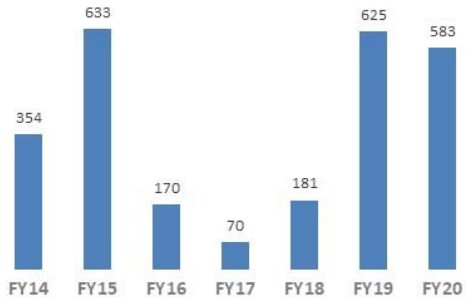
In our Consumables Division, we recorded an 18% increase in profits to $2.5m. Revenue was again at a new record level of $8.9m.

Additional revenue was generated on a full-year basis from new customers that were acquired in FY19, as well as new accounts added in FY20. Conditions were particularly buoyant in the mining sector across both exploration and production activities. The vast majority of customers from the division continued to operate throughout the pandemic.

Capital Equipment

($m)	FY20	FY19
Sales revenue	**8.0**	**9.2**
Change in %	(13%)	29%
NPBT	**0.6**	**0.6**
Change in %	(7%)	244%
Margin %	**7%**	**7%**

- **Overview of FY20:**
  - Revenue down 13% on FY19
  - NPBT down 7% on FY19
  - Positive conditions for first three quarters. Difficult Q4 as customers retracted CAPEX demand
  - Margin improvement from increased proportion of end user sales / product mix sold and reduction in operating costs



Net Profit Before Tax ($'000)

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The Capital Equipment Division had a good year with a profit of $583k which was steady on the prior year.

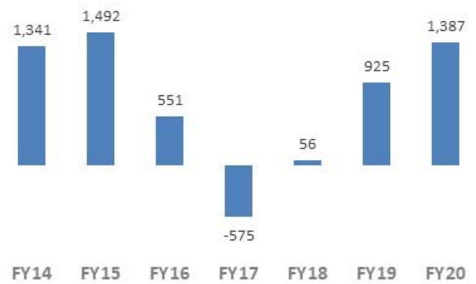
Despite revenue dropping from $9.2m to $8.0m, we were able to improve margins due to a reduction in operational costs, a higher proportion of direct sales to end-users and the product mix of sales.

Sales conditions were positive in the first nine months of the year and slowed in the last quarter, as customers reduced their capex due to economic uncertainty. The impact was short lived after a large amount of orders were received in July. The demand is being generated by new projects, replacement machines and customer expansions.

We are continuing our new product development program and plan to release two new machines in FY21. One of these machines will expand the business into a new complementary field and into industries outside mining.

Precious Metals

($m)	FY20	FY19
Sales revenue	**13.2**	**13.1**
Change in %	1%	19%
NPBT	**1.4**	**0.9**
Change in %	50%	1564%
Margin %	**10%**	**7%**



Net Profit Before Tax ($'000)

- **Overview of FY20:**
  - Revenue up 1% on FY19
  - NPBT up 50% on FY19
  - Revenue from Germany office $3.04m vs $2.82m in FY19. Growth was slower in 2H due to impact on Europe from COVID-19
  - Domestic market remained strong through COVID-19 period, export market was affected by lockdowns
  - Technical breakthroughs made at Melbourne factory, expanding industrial and semi-finished product lines – broadening the portfolio and bringing capability in-house

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The Precious Metals division increased profits by 50% to $1.4m from revenue of $13.2m. The result was driven by positive market conditions and new sales being developed by the office in Germany. $3.04m in revenue was recorded by the Germany office compared to $2.82m in the prior year. We are a seeing a steady rate of new customer acquisitions in Europe, as customers seek out benefits we can offer.

We continued to develop numerous projects for industrial platinum products through the period. Some technical break throughs were made in the Melbourne factory, primarily in the semi-finished and industrial product lines. These manufacturing developments allow us to expand the product portfolio and bring certain capabilities in-house.

2020 AGM CEO Presentation

FY21 First Quarter Update

We have experienced a positive start to FY21. Revenue for the September 2020 quarter was $7.45m (unaudited) compared to $7.39m in the Previous Corresponding Period (PCP). Statutory profit before tax increased, with $1.6m (unaudited) being generated vs $913k in the PCP.

Included in the September 2020 quarter profit is $515k in COVID-19 related government subsidies. The bulk of these subsidies will cease to be received after this first quarter, as most of our divisions no longer qualify for wages subsidies. After excluding these subsidies our adjusted profit before tax is up 19% on the PCP to $1.1m.

Revenue in the Consumables division for the first quarter of FY20 was $2.2m vs $2.5m in the PCP. Sales conditions have continued to be positive, particularly in the mining sector. We are also starting to see a recovery of some international non-mining markets that were quiet in the June 2020 quarter.

Sales of Capital Equipment products have been strong since the start of July. The order book for some product lines is now around three months compared to our average of six to eight weeks. Revenue for the first quarter of FY21 was $2.0m vs $1.7m in the PCP. The demand is from both the domestic mining industry and international sales in Europe and Asia.

The Precious Metals division has experienced a pickup in demand and delivered revenue for the first quarter FY21 of $3.3m vs $3.2m in the PCP. Contributing towards the result was the sale of new platinum labware items that are bundled with capital equipment products. We have also seen improved levels of activity from international customers in Europe, the Americas and parts of Asia.

In general, whilst broader economic conditions remain challenging, we are positive on the opportunities for growth in profits and shareholder returns in the year ahead. We look forward to reporting our half-year results in February.