Appendix 4E
Preliminary Final Report

XRF Scientific Limited
ABN 80 107 908 314

Financial Year Ended 30 June 2015

Results for Announcement to the Market

Revenue from ordinary activities	down	5%	to	$20,670,839	from	$21,850,062
Earnings before interest and tax (EBIT)	up	4%	to	$3,477,167	from	$3,358,127
Profit from ordinary activities after tax attributable to members	up	8%	to	$2,639,463	from	$2,441,258
Net profit attributable to members	up	8%	to	$2,639,463	from	$2,441,258

Dividends (distributions)	**Amount per security**	**Franked amount per security**
This period:		
Final dividend	0.7c	0.7c
Interim dividend	0.5c	0.5c
Previous corresponding period:		
Final dividend	1.1c	1.1c
Interim dividend	-	-

Record date of determining entitlement to dividend	11 September 2015
Payment date of dividend	25 September 2015

Dividend payout ratio	**30 June 2015 %**	**30 June 2014 %**
	60	61

Earnings per share (EPS)	**30 June 2015**	**30 June 2014**
Basic EPS – (cents per share)	2.0	1.8
Diluted EPS – (cents per share)	2.0	1.8
Weighted average of number of ordinary shares	132,157,097	132,157,097

Net tangible assets per ordinary share (NTA)	**30 June 2015 $**	**30 June 2014 $**
	0.11	0.12

Commentary on the results for the financial year ended 30 June 2015

XRF Scientific Ltd ("XRF" or "Company") is pleased to report its June 2015 full-year results to shareholders. The Company has generated revenue of $20.7m and underlying profits before tax of $3.9m, before expensing $262k in acquisition related due diligence and integration costs.

Despite revenue falling by 5% to $20.7m, profits were maintained and margins improved. This is the result of new products such as xrFuse 2 and xrFuse 6, which are being produced efficiently in larger volumes.

The Directors have confirmed that a final dividend of 0.7 cents per share, fully franked, will be payable with a record date of 11 September 2015 and payment date of 25 September 2015. In conjunction with the interim dividend already paid, this provides a dividend payout ratio that is consistent with prior years of 60%.

The cash at bank balance increased strongly from $6.2m as at 30 June 2014 to $6.8m as at 30 June 2015, after paying for $1m in acquisitions and $2.1m in dividends. NTA slightly decreased to $0.11 as at 30 June 2015, due to intangibles capitalised from acquisitions and the maiden interim dividend paid in March 2015.

The Consumables division delivered sales of $6.0m, compared to the previous corresponding period (PCP) of $6.4m, mainly as a result of the continued downturn in the exploration industry, in particular for iron-ore. Revenue in general remained reasonably stable, which has been approximately $3m per half for the last 18 months. Profits before tax were reduced to $1.93m from $2.36m in the PCP. Results were negatively affected by the strength of the USD against the AUD, in which many of our raw production materials are purchased. XRF continues to remain as world leader for its consumable products, supported by strong intellectual property and significant experience in dealing with market cycles.

The Precious Metals division delivered growth in profit before tax, generating $1.49m, compared to $1.34m in the PCP. The increase in profits was in part due to XRF's Canadian division, which increased its profitability in 2015. XRF's Canadian business, recently rebranded as "XRF Scientific Americas" is assisting with growth throughout the Americas across all three product lines. Service and support to end-users and distributors in the region is now being provided in the relevant time zone and language.

The Capital Equipment division performed extremely well, delivering profit before tax of $632k as compared to $354k in the PCP. The result included the impact of an obsolete stock write off of $120k. The result was primarily driven by the growing success of the Company's flagship electric fusion machine, xrFuse 6, as well as the smaller xrFuse 2 that was launched in August 2014. Both of these machines filled voids in the division's product range and have been well received. The xrFuse 2 machine is targeted at non-mining export markets, for industries such as cement, glass, steel and research. Since its launch, a large number of orders have been completed.

Capital equipment sales were difficult in the second half, with some improvement towards the end of the year. Further new products were launched in the second half, including the Phoenix 2 gas fusion machine and xrWeigh automatic flux weighing unit. The Phoenix 2 offers significant advantages over both the previous generation unit and competing offerings. The xrWeigh allows laboratory customers to achieve a higher level of accuracy with their results, as well as a reduction in labour costs. Additional new product releases are expected in FY16, to meet the continually changing requirements of XRF's customers.

In line with the Company's strategy to grow its export business and non-mining revenue streams, a number of high quality distributors were appointed in South Korea, Malaysia, Vietnam, Singapore, Taiwan and Turkey. Excellent progress is already being made and initial sales levels have been pleasing. Further expansion of the Company's international distribution network is planned throughout FY16, particularly in parts of Asia and South America.

Throughout the year the Company completed two bolt-on acquisitions. The first of which was Coltide XRF Drift Monitors (Coltide), which was acquired in November 2014. Coltide is a manufacturer and supplier of XRF Drift Monitors, which are sold worldwide to mining companies and research organisations that need to establish an accurate calibration for a series of elements, on a regular basis on their x-ray spectrometers. Coltide's products were manufactured in Adelaide by Dr Keith Norrish, who is regarded as the pre-eminent pioneer of wavelength dispersive x-ray spectrometry for the analysis of minerals. Manufacturing has since been transferred to the Company's facility in Melbourne and the first product sales occurred in December.

XRF also acquired the business of ICPH Flux, based in France, for total upfront consideration of €658,000 (AUD $986,000), with potential deferred consideration of up to €70,000 (AUD $105,000) payable, linked to certain revenue targets for the first twelve months that follows settlement. The upfront consideration included €110,000 (AUD $160,000) of platinum labware, which is not required for production and was liquidated back into cash assets. The business was established in 1984 by Mr Gérard Lang, using a unique manufacturing process, and was one of the first producers of x-ray flux in the world. Under XRF's ownership, manufacturing has been transferred to the Company's facility in Perth using existing equipment. Sales are being managed directly from Perth, with a transition program in place with the assistance of the vendor. The business is expected to generate EBIT of approximately $200,000 per annum under XRF's ownership.

Additional high quality acquisition opportunities are currently under review, which may be completed in FY16. With significant cash reserves available, XRF is well positioned to take advantage of these opportunities.

In FY16, the focus of the Board and Management will revolve around growing non-mining revenue, international sales, new product developments and acquisitions. During FY15 total revenue generated by non-mining was approximately 30%. Opportunities to extend this figure have presented themselves, both via acquisition and through organic expansion. Although in general, conditions remain challenging, the Board and Management are working to continue to deliver a high level of sustainable earnings.

Details of controlled entities acquired or disposed of

The following acquisitions were completed by XRF during the period:

- Coltide XRF Drift Monitors, a manufacturer and supplier of XRF calibration equipment based in Adelaide
- ICPH Flux, a manufacturer and supplier of x-ray flux based in France

See note 11 of the attached financial statements for further details.

Details of aggregate share of profits (losses) of associates and joint venture entities

Group's share of associates' and joint venture entities':	**30 June 2015**	**30 June 2014**
	$'000	**$'000**
Net profit (loss) from ordinary activities	19	(92)

Compliance statement

1. This report, and the accounts upon which this report is based, have been prepared in accordance with AASB Standards.
2. This report, and the accounts upon which the report is based, use the same accounting policies.
3. This report gives a true and fair view of the matters disclosed.
4. This report is based upon accounts to which one of the following applies:

☐	The accounts have been audited.	☐	The accounts have been subject to review.
☑	The accounts are in the process of being audited or subject to review.	☐	The accounts have *not* yet been audited or reviewed.

5. The entity has a formally constituted audit committee.

Signed: Date: 20 August 2015
Name: Vance Stazzonelli (Company Secretary)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Consolidated	
	2015	**2014**
	$	**$**
Revenue from continuing operations	20,670,839	21,850,062
Cost of sales	(11,972,857)	(13,242,679)
Gross profit	8,697,982	8,607,383
Other income	257,829	193,059
Share of profits / (loss) of investments accounted for using the equity method	18,627	(92,158)
Administration expenses	(4,003,642)	(3,760,155)
Other expenses	(714,603)	(789,947)
Occupancy expenses	(611,733)	(616,466)
Finance cost	(1,272)	(500)
Profit before income tax	3,643,188	3,541,216
Income tax expense	(1,003,725)	(1,099,958)
Profit after income tax from continuing operations attributable to equity holders of XRF Scientific Limited	2,639,463	2,441,258
Other comprehensive income		
Items that will be classified to profit or loss		
Foreign currency translation differences	121,960	(136,997)
Total comprehensive income for the year	2,761,423	2,304,261
Profit and total comprehensive income attributable to equity holders of XRF Scientific Limited	**2,761,423**	**2,304,261**
Basic earnings per share (cents per share)	2.0	1.8
Diluted earnings per share (cents per share)	2.0	1.8

The above consolidated statement of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

		Consolidated	
		2015	**2014**
	Note	**$**	**$**
CURRENT ASSETS			
Cash and cash equivalents	3	6,759,893	6,201,770
Trade and other receivables		3,182,240	3,867,255
Inventories		2,560,227	2,977,727
Other assets		297,889	210,926
TOTAL CURRENT ASSETS		12,800,249	13,257,678
NON-CURRENT ASSETS			
Property, plant and equipment	5	3,400,626	3,582,303
Intangible assets	6	14,641,537	13,566,922
Investments accounted for using the equity method	7	555,142	656,300
Deferred tax asset		430,425	432,301
TOTAL NON-CURRENT ASSETS		19,027,730	18,237,826
TOTAL ASSETS		31,827,979	31,495,504
CURRENT LIABILITIES			
Trade and other payables	8	961,649	1,291,430
Provisions		503,836	369,580
Other current liabilities		130,371	157,882
Current income tax liability		101,349	252,521
TOTAL CURRENT LIABILITIES		1,697,205	2,071,413
NON-CURRENT LIABILITIES			
Deferred tax liability		233,073	171,978
Provisions		132,410	133,733
TOTAL NON-CURRENT LIABILITIES		365,483	305,711
TOTAL LIABILITIES		2,062,688	2,377,124
NET ASSETS		29,765,291	29,118,380
EQUITY			
Issued capital	9	18,257,772	18,257,772
Reserves		744,206	622,246
Retained profits		10,763,313	10,238,362
TOTAL EQUITY		29,765,291	29,118,380

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2015

	Note	Consolidated 2015 $	2014 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		21,440,738	21,656,004
Payments to suppliers and employees (inclusive of GST)		(16,363,016)	(17,814,575)
Finance costs		(1,272)	(500)
Income taxes paid		(1,091,926)	(1,412,025)
Interest received		139,196	183,590
Net cash inflow (outflow) from operating activities	4	4,123,720	2,612,494
Cash flows from investing activities			
Payments for property, plant and equipment		(296,325)	(408,366)
Payments for acquisition of businesses		(1,022,480)	(1,798,890)
Payments for research and development		(252,271)	(459,693)
Payments for intangibles		(11,613)	-
Amounts received under LIBS license and sale agreements		-	122,527
Payments for additional investments accounted for under the equity method		-	(261,782)
Return of capital from investments accounted for under the equity method		119,785	-
Proceeds from sale of property, plant and equipment		11,819	-
Net cash inflow (outflow) from investing activities		(1,451,085)	(2,806,204)
Cash flows from financing activities			
Dividends paid		(2,114,512)	(2,246,328)
Net cash inflow (outflow) from financing activities		(2,114,512)	(2,246,328)
Cash and cash equivalents at the beginning of the financial period		6,201,770	8,641,808
Net increase (decrease) in cash and cash equivalents		558,123	(2,440,038)
Cash and cash equivalents at the end of the financial period	3	6,759,893	6,201,770

The above consolidated statement of cash flow should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

30 JUNE 2015

	Issued Share Capital $	Share Option Reserve $	Foreign Currency Translation Reserve $	Retained Profits $	Total $
Balance at 1 July 2014	**18,257,772**	**759,243**	**(136,997)**	**10,238,362**	**29,118,380**
Profit for the period	-	-	-	2,639,463	2,639,463
Other comprehensive income	-	-	121,960	-	121,960
Total comprehensive income for the period	**-**	**-**	**121,960**	**2,639,463**	**2,761,423**
Transactions with Equity Holders in their capacity as Equity Holders					
Dividends paid	-	-	-	(2,114,512)	(2,114,512)
	-	**-**	**-**	**(2,114,512)**	**(2,114,512)**
Balance at 30 June 2015	**18,257,772**	**759,243**	**(15,037)**	**10,763,313**	**29,765,291**

30 JUNE 2014

	Issued Share Capital $	Share Option Reserve $	Foreign Currency Translation Reserve $	Retained Profits $	Total $
Balance at 1 July 2013	**18,257,772**	**759,243**	**-**	**10,043,433**	**29,060,448**
Profit for the period	-	-	-	2,441,258	2,441,258
Other comprehensive income	-	-	(136,997)	-	(136,997)
Total comprehensive income for the period	**-**	**-**	**(136,997)**	**2,441,258**	**2,304,261**
Transactions with Equity Holders in their capacity as Equity Holders					
Dividends paid	-	-	-	(2,246,329)	(2,246,329)
	-	**-**	**-**	**(2,246,329)**	**(2,246,329)**
Balance at 30 June 2014	**18,257,772**	**759,243**	**(136,997)**	**10,238,362**	**29,118,380**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Accounting Policies

Basis of preparation

This preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E.

These consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, including Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with any public announcements made by XRF Scientific Limited and its controlled entities during the year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

These financial statements cover the consolidated group of XRF Scientific Limited and controlled entities. XRF Scientific Limited is a listed public company, incorporated and domiciled in Australia.

These financial statements of XRF Scientific Limited and controlled entities comply with all International Financial Reporting Standards (IFRS) in their entirety.

The accounting policies have been consistently applied by the entities in the economic entity and are consistent with those applied in the 30 June 2014 annual report.

This report does not include full disclosures of the type normally included in an annual financial report.

Reporting Basis and Conventions

These financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

1. Segment Information

Operating Segments – AASB 8 requires a management approach under which segment information is presented on the same basis as that used for internal reporting purposes. This is consistent to the approach used in previous periods.

Operating segments are reported in a uniform manner to which is internally provided to the chief operating decision maker. The chief operating decision maker has been identified as the Chief Executive Officer.

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including those that relate to transactions with any of the Group’s other components. Each operating segment’s results are reviewed regularly by the Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Chief Executive Officer monitors segment performance based on profit before income tax expense. Segment results that are reported to the Chief Executive Officer include results directly attributable to a segment as well as those allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

The consolidated entity has determined that strategic decision making is facilitated by evaluation of operations on the customer segments of Capital Equipment, Precious Metals & Consumables. For each of the strategic operating segments, the Chief Executive Officer reviews internal management reports on a monthly basis.

Capital Equipment
Design, manufacture and service organisation, specialising in automated fusion equipment, high temperature test and production furnaces, as well as general laboratory equipment.

Precious Metals
Manufactures products for the laboratory and platinum alloy markets.

Consumables
Produces and distributes consumables, chemicals and other supplies for analytical laboratories.

Segment information provided to the Chief Executive Officer for the full-year ended 30 June 2015 is as follows:

	Capital Equipment	Precious Metals	Consumables	Total
Full-year ended 30 June 2015	**$**	**$**	**$**	**$**
Segment revenue				
Total segment revenue	5,695,161	9,975,471	6,037,457	21,708,089
Inter segment sales	(395,706)	(808,795)	-	(1,204,501)
Revenue from external customers	5,299,455	9,166,676	6,037,457	20,503,588
Profit before income tax expense	632,620	1,492,269	1,929,631	4,054,520
Full-year ended 30 June 2014	**$**	**$**	**$**	**$**
Segment revenue				
Total segment revenue	5,553,570	10,445,135	6,402,883	22,401,588
Inter segment sales	(146,598)	(597,431)	-	(744,029)
Revenue from external customers	5,406,972	9,847,704	6,402,883	21,657,559
Profit before income tax expense	354,106	1,340,612	2,357,681	4,052,399
Segment assets				
At 30 June 2015	5,840,417	11,002,336	18,142,963	34,985,716
At 30 June 2014	5,500,293	10,082,109	16,540,705	32,123,107
Segment liabilities				
At 30 June 2015	371,064	2,435,887	422,825	3,229,776
At 30 June 2014	483,189	2,590,257	171,624	3,245,070
Depreciation expense				
For the year ended 30 June 2015	56,829	201,344	160,758	418,931
For the year ended 30 June 2014	50,007	210,540	173,456	434,003

	Consolidated	
	2015	**2014**
	$	**$**
Revenue from external customers – segments	20,503,588	21,657,559
Unallocated revenue	167,251	192,503
Revenue from external customers – total	**20,670,839**	**21,850,062**
Profit before income tax expense – segments	4,054,520	4,052,399
Loss incurred by parent entity	(411,332)	(511,183)
Profit before income tax expense from continuing operations – total	**3,643,188**	**3,541,216**
Total segment assets	34,985,716	32,123,107
Related party loan elimination	(10,666,046)	(7,644,240)
Cash & cash equivalents	6,129,139	5,443,011
Investments accounted for using the equity method	555,142	759,676
Deferred tax asset	430,425	432,301
Other corporate assets	393,603	381,649
Total assets	**31,827,979**	**31,495,504**
Total segment liabilities	3,229,776	3,245,070
Related party loan elimination	(1,881,148)	(2,001,824)
Other corporate liabilities	714,060	1,133,878
Total liabilities	**2,062,688**	**2,377,124**

2. Profit for the year

	Consolidated	
	2015	**2014**
	$	**$**
Profit for the full year included the following items that are unusual because of their nature, size or incidence:		
Acquisition of business and investment costs	262,088	339,776

3. Reconciliation of cash

	Consolidated	
	2015	**2014**
	$	**$**
Cash on hand and at bank	1,958,013	2,563,657
Deposits at call	4,801,880	3,638,113
	6,759,893	6,201,770

4. Reconciliation of profit after income tax to net cash flow from operating activities

	Consolidated	
	2015	**2014**
	$	**$**
Profit for the year	2,639,463	2,441,258
Depreciation and amortisation	594,646	554,834
Share of associate and JV entity (profits) / losses	(18,627)	92,160
Net exchange differences	21,857	(18,577)
Adjustment for deferred acquisition costs in creditors and provisions	(178,205)	-
Stock purchases reclassified as investing activities	349,420	-
Net (gain) loss on sale of non-current assets	12,174	23,737
(Increase)/decrease in trade and other debtors	685,015	(467,230)
(Increase)/decrease in inventories	417,500	(245,469)
(Increase)/decrease in other current asset	(86,963)	140,855
(Increase)/decrease in deferred tax asset	1,876	(83,264)
(Decrease)/increase in trade and other creditors	(329,781)	165,581
(Decrease)/increase in provision for income taxes	(151,172)	(318,215)
(Decrease)/increase in provision for deferred income tax	61,095	89,412
(Decrease)/increase in other liabilities	(27,511)	157,227
(Decrease)/increase in other provisions	132,933	80,185
Net cash inflow/(outflow) from operating activities	4,123,720	2,612,494

5. Property, plant and equipment

	Consolidated	
	2015	**2014**
	$	**$**
Plant and equipment	2,743,038	2,771,947
Office furniture and equipment	272,610	372,299
Property improvements	284,151	330,994
Motor vehicles	100,827	107,113
Total property, plant and equipment	3,400,626	3,582,303
Opening net book amount	3,582,303	3,665,552
Additions	328,555	408,366
Transfer from intangible assets	35,000	-
Disposals	(47,422)	(25,690)
Depreciation expense	(497,810)	(465,925)
Closing net book amount	3,400,626	3,582,303

6. Intangible assets

	Consolidated	
	2015	**2014**
	$	**$**
Goodwill	13,835,905	12,993,197
Research and development costs	591,040	447,608
Patents, trademarks and IP	214,592	126,117
Total intangible assets	14,641,537	13,566,922
Opening net book amount	13,566,922	11,507,772
Recognition of goodwill and IP on purchase of ICPH	751,265	-
Recognition of goodwill and IP on purchase of Coltide XRF Drift Monitors	100,000	-
Recognition of goodwill on purchase of Kitco Labware	-	1,798,890
Foreign currency adjustment	91,443	(111,130)
Capitalisation of development costs	252,271	460,299
Other additions	11,612	-
Transfer to property, plant and equipment	(35,000)	-
Disposals	(140)	-
Amortisation expense	(96,836)	(88,909)
Closing net book amount	14,641,537	13,566,922

7. Investments accounted for using equity method

	Consolidated 2015 $	Consolidated 2014 $
Opening amount	656,300	335,906
Share of net profit / (loss) of investments accounted for using the equity method	18,627	(92,158)
Return of capital from XRock Automation [1]	(100,000)	-
Dividend received from XRock Automation [1]	(19,785)	-
Conversion of convertible notes to shares in Gestion Scancia	-	150,770
Purchase of additional shares in Gestion Scancia	-	261,782
Closing amount	555,142	656,300

[1] XRock Automation ceased operations on 31 October 2014.

8. Liabilities

The group has an overdraft facility of $1,000,000 as a safeguard on working capital requirements. An additional $1,600,000 facility is utilised for bank guarantees, used as security for leases. As at 30 June 2015, the contractual maturities of the group's non-derivative financial liabilities were as follows:

Contractual maturities of financial liabilities	Less than 6 months	6 – 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying Amount (assets)/ liabilities
As at 30 June 2015	$	$	$	$	$	$	$
Non-derivatives							
Trade payables	554,333	-	-	-	-	554,333	554,333
Total non-derivatives	554,333	-	-	-	-	554,333	554,333
As at 30 June 2014							
Non-derivatives							
Trade payables	966,438	-	-	-	-	966,438	966,438
Total non-derivatives	966,438	-	-	-	-	966,438	966,438

Financing arrangements
The group's undrawn borrowing facilities were as follows as at 30 June 2015:

	Consolidated 2015 $	Consolidated 2014 $
Bank overdraft facility	1,000,000	1,000,000
Bank guarantee facility	1,501,545	1,501,545
	2,501,545	2,501,545

9. Contributed equity

	2015 Shares	2014 Shares	2015 $	2014 $
(a) Share capital				
Ordinary shares	132,157,097	132,157,097	18,257,772	18,257,772
Total consolidated contributed equity	132,157,097	132,157,097	18,257,772	18,257,772

Date	Details	Number of shares	$
1 July 2013	**Opening balance**	**132,157,097**	**18,257,772**
30 June 2014	**Closing balance**	**132,157,097**	**18,257,772**
1 July 2014	**Opening balance**	**132,157,097**	**18,257,772**
30 June 2015	**Closing balance**	**132,157,097**	**18,257,772**

10. Dividends

	Consolidated 2015 $	Consolidated 2014 $
Dividends provided for or paid during the year on ordinary shares	2,114,512	2,246,329

11. Business combinations

On 15 December 2014 XRF Scientific Limited acquired the business of ICPH Flux, a supplier and manufacturer of x-ray flux based in Malzéville, France. The business was established in 1984 by Mr Gérard Lang, using a unique manufacturing process, and was one of the first producers of x-ray flux in the world.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	$
(i) Purchase consideration:	
Cash paid upfront	859,963
Deferred consideration (note iii)	125,848
Contingent consideration (note iv)	104,874
Total potential purchase consideration	1,090,685

The assets and liabilities recognised as a result of the acquisition are as follows:

	$
Goodwill	701,265
X-ray flux stock	179,420
Platinum	160,000
Intellectual property	50,000
	1,090,685

The goodwill is attributable to ICPH Flux's strong position and expected future profitability in trading in the x-ray flux market and synergies expected to arise after the Company's acquisition of the business. None of the goodwill is expected to be deductible for tax purposes.

(ii) Revenue and profit contribution

The acquired business contributed revenues of $269k and net profit before tax of $174k to the group for the period of 15 December 2014 to 30 June 2015.

If the acquisition had occurred on 1 July 2014, consolidated revenue and consolidated net profit before tax for the period ended 30 June 2015 would have been $20.9m and $3.8m respectively. These amounts have been calculated using the group's accounting policies.

(iii) Deferred consideration

The agreement requires XRF to pay the former owners of ICPH additional deferred consideration of €84,000. This sum will be paid in quarterly amounts in advance, with the final payment occurring in the 21st month post-completion. The first instalment of €10,500 was paid on 17 December 2014. Payment of this additional deferred consideration is a firm commitment.

(iv) Contingent consideration

The agreement requires XRF to pay the former owners of ICPH additional consideration up to a maximum undiscounted amount of €70,000. The terms of the contingent consideration are as follows:

- Additional cash paid via deferred consideration of €35,000, should the business generate revenue of €300,000 in the period of 12 months from completion
- Further cash paid via deferred consideration of €35,000 should the business generate revenue of between €300,000 and €350,000 in the period of 12 months from completion.

The potential undiscounted amount of all future payments under the agreement is between €0 and €70,000. The fair value of the contingent consideration of $104,874 was estimated by applying the income approach. The 'income approach' uses probability-weighted expectations of the acquiree's revenue.

(v) Acquisition related costs

Direct costs relating to the acquisition of ICPH Flux of $202,971 are included "other expenses" in the consolidated statement of profit or loss and other comprehensive income.

(vi) Purchase consideration – cash outflow

Included in the payments for acquisition of businesses in the investing activities section of the cash flow statement are the following:

Outflow of cash to acquire businesses:	
Cash consideration for ICPH Flux	912,480
Cash consideration for Coltide XRF Drift Monitors [1]	110,000
	1,022,480

[1] Immaterial acquisition. Coltide is a manufacturer and supplier of XRF Drift Monitors, which are sold worldwide to mining companies and research organisations that need to establish accurate calibrations for a series of elements on x-ray spectrometers.

12. Contingent liabilities

The economic entity is not aware of any material contingent asset or liability for the period ended 30 June 2015.

13. Events occurring after the reporting date

A final dividend of 0.7 cents per share fully franked was declared on 20 August 2015, bringing the total dividend for the year to 1.2 cents per share fully franked (FY14: 1.1 cents per share fully franked), with a record date of 11 September 2015 and payment date of 25 September 2015.

There have been no other events subsequent to the reporting date which have significantly affected or may significantly affect the XRF Scientific Limited operations, results or state of affairs in future years.