

2nd November 2017

Xref Scores Hat-Trick in October; with Sales, Cash Receipt and Revenue Hikes

- Credit sales for October up 175% year on year
- Record cash receipts of \$0.64m for the month
- Record monthly revenue of \$0.39m

Xref Limited (**ASX:XF1**), the human resources technology company, is pleased to announce a strong start to FY18, with strong performance in three key business metrics during October.

Xref Business Model

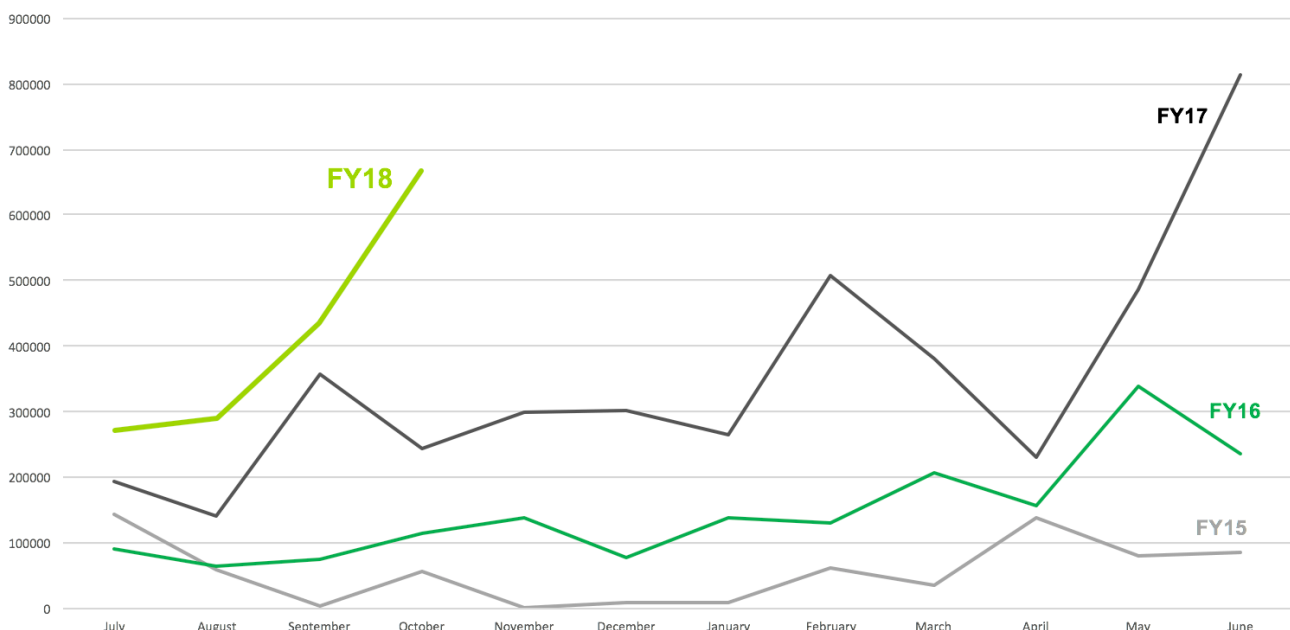
When Xref's clients purchase credits (**Credit Sales**) to use the Xref platform, the value of their purchases is recognised as unearned income (**Unearned Income**). When they pay for the credits, the cash is recognised as cash receipts (**Cash Receipts**). Once the credits are used by the client (**Usage**), Xref recognises the value of the credits used as revenue (**Recognised Revenue**).

The Company is encouraged by the strong sales achieved in the first quarter of the new financial year. This momentum has carried through into October, with both Credit Sales and Usage showing record year-on-year growth, and Cash Receipts reaching a record high of \$0.64m for the month.

Unearned Income

Credit Sales during October were up 175% on the corresponding month in FY17, increasing from \$0.24m to \$0.66m. UK Credit Sales grew to \$66k, and the Company recorded its first Credit Sales in Norway just six weeks after opening its Nordics office. Continued growth in the UK and Nordics regions is expected to have a significant impact on the Company's sales performance for the year, which currently sits at \$1.65m (as at 31 October)

Xref Credit Sales History



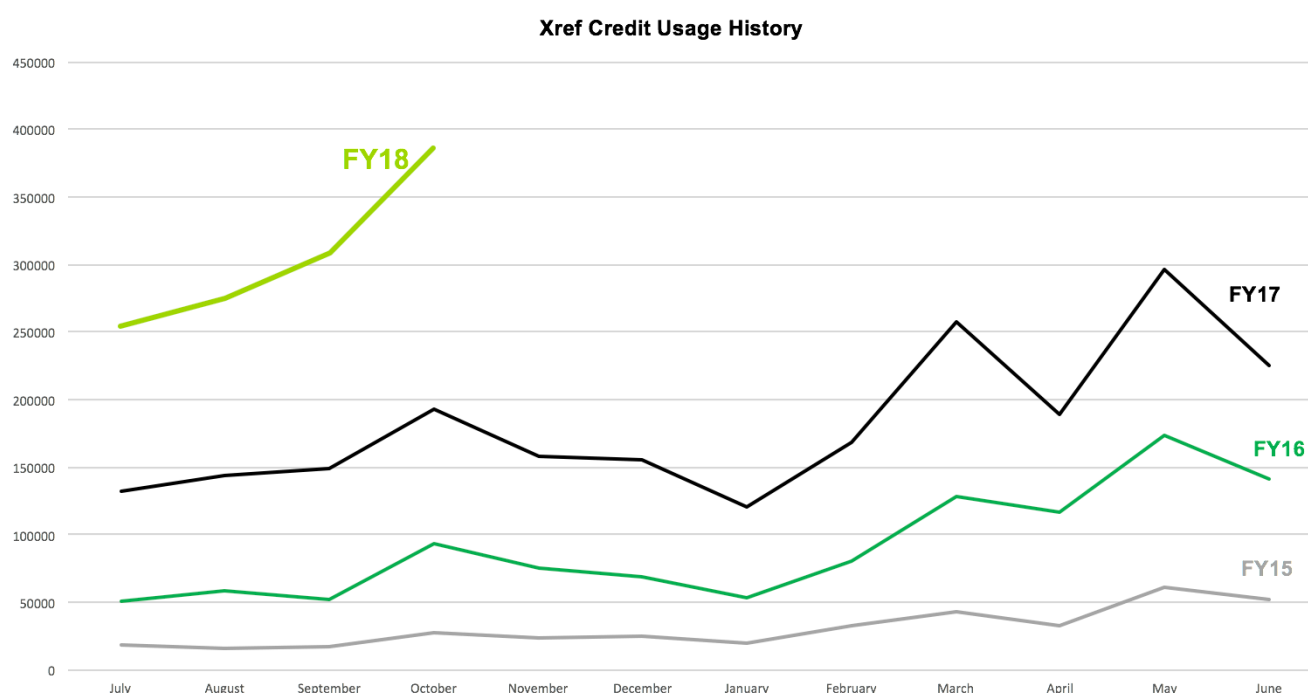
Cash Receipts

Cash Receipts during October hit a record high of \$0.64m, demonstrating the efficiency of the Company's accounts receivable processes. Clients regard Xref as a trusted supplier and Credit Sales often occur well in advance of when clients plan to use the platform and on a non-refundable basis.

Recognised Revenue

During October, Credit Usage was up 100% year-on-year, increasing from \$192k in October 2016 to \$386k this year. Compared to September 2017, Credit Usage during October increased by 25%.. Demand for the platform is high with new clients continuing to sign-up at an increasing rate and existing clients steadily increasing their use of the platform over time.

Xref's retention rate is an exceptional 98% and it is testament to the quality of the services the Company provides and the level of satisfaction clients have for the platform and its user interface.



Executive director / CEO Lee-Martin Seymour said: *"The strength of our performance in October positions us very well to maximise opportunities during the remainder of Q2 and head into the new calendar year with a strong pipeline of business for Q3 and Q4, which are historically high-growth periods."*

Executive director / CTO Tim Griffiths said: *"We are delighted by these results and encouraged by the high volume of credits sold, in particular. This demonstrates our clients' confidence in the reliability of our platform, and their desire to continue using it."*

Non-executive chairman Brad Rosser said: *"Xref's success during October is a reflection of the value of clients included in the current portfolio and strength of the relationships the team has formed with them. Q2 looks set to have a very positive impact on FY18 performance for the company."*

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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