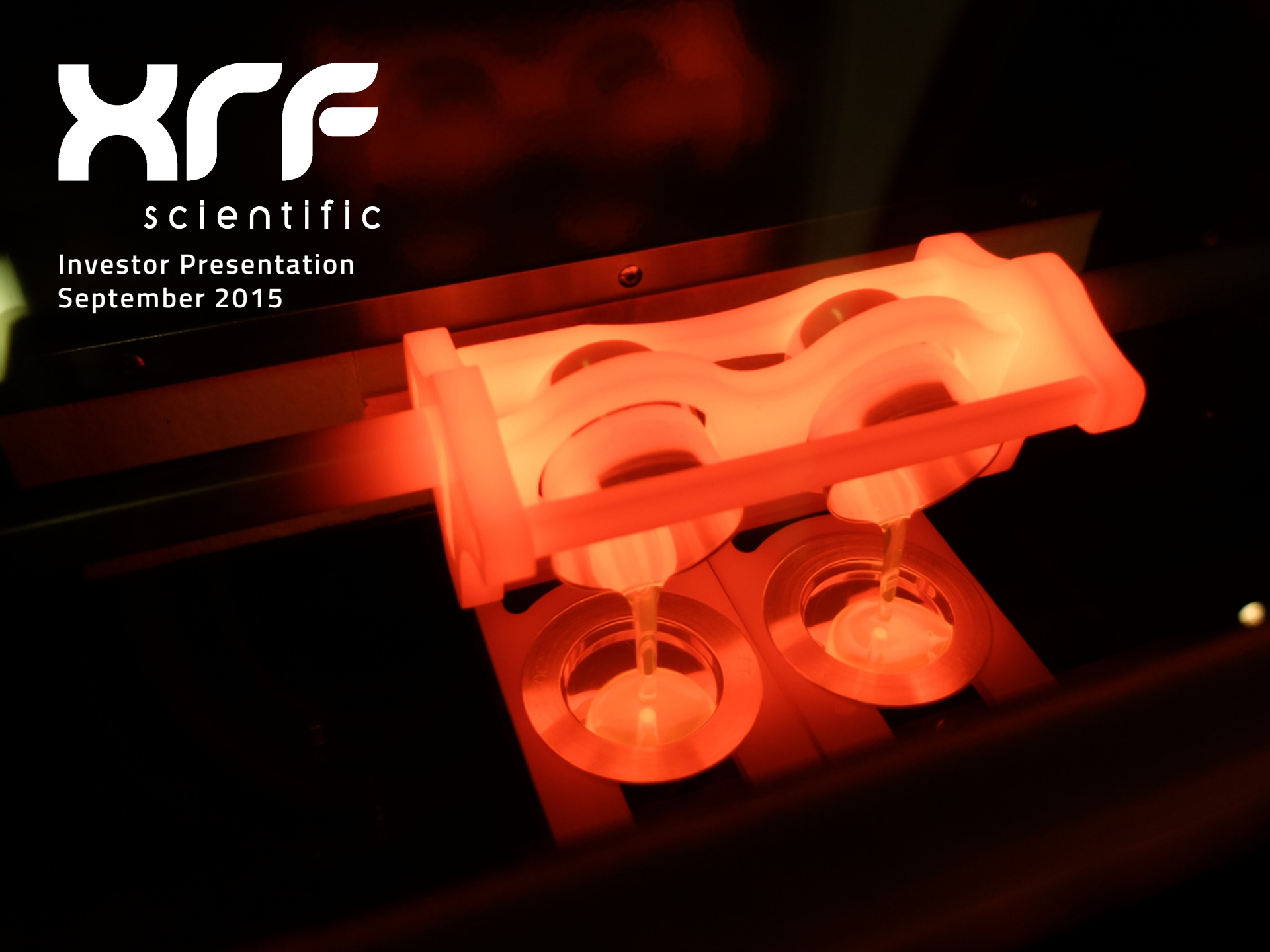




Investor Presentation  
September 2015



# Corporate Snapshot

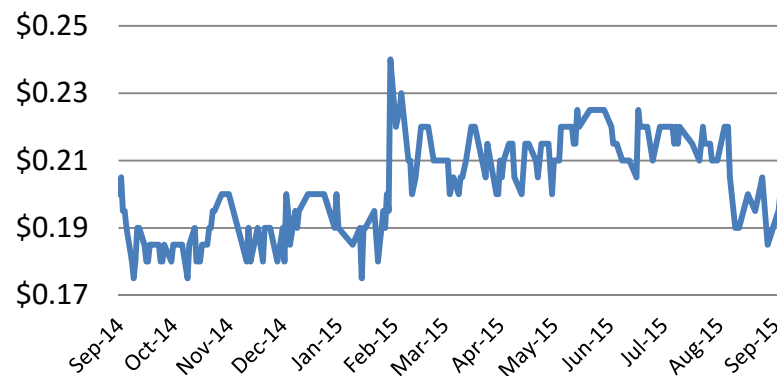
## Capital Structure

Shares on issue	132,157,097
Options on issue	Nil
Share price	20.0c
<b>Market cap</b>	<b>\$26.4m</b>
Cash (30/06/2015)	\$6.8m (5.2 cents per share)
Debt (30/06/2015)	\$0.0m
<b>Enterprise Value</b>	<b>\$19.6m (14.8 cents per share)</b>

## Directors & Management

Ken Baxter	Non Executive Chairman
David Brown	Non Executive Director
Fred Grimwade	Non Executive Director
David Kiggins	Non Executive Director
Vance Stazzonelli	Chief Executive Officer

## Share Price Performance – 1 Year



## Shareholder Breakdown

Directors & Management	11%
Top 20 Shareholders	64%

## Substantial Shareholders (Non Management)

The Skye Alba Fund	10.08%
Private Portfolio Managers	10.79%
NAB	6.84%

# Company Overview

- Manufacturer of consumables and equipment for mining and industry, for X-Ray Fluorescence (XRF) analysis – a powerful long-established analytical technique, vital to the discovery, evaluation, qualification and production of most metals and control of material manufacturing processes
- Offices in Perth, Melbourne, Canada and a global network of distributors



**X-Ray Flux and  
chemicals**



**Platinum Labware**



**Specialised furnaces and  
laboratory equipment**

# Our Products

**X-Ray Flux**



**Platinum Labware**



**Fusion Machines**



Products

High quality,  
consistent results



**Laboratory**

**Industry**



Samples

**Exploration**



Samples

**Mining**



Samples

**Rail**



Samples

**Stock & Blend**



Samples

**Shipping**



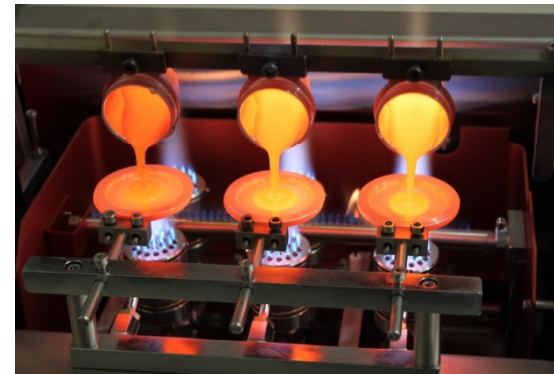
Samples

# The XRF Analysis Process

Drill core is sent from the field to the laboratory



The drill core is then processed into a fine dust



The mineral dust is then fused into a glass bead using **XRF Scientific's products**



The glass disk is presented into an x-ray spectrometer for analysis





## Acquisitions

- Consumables, services or CAPEX products with repeat revenue
- Exposure to additional commodities
- Expansion of sales in existing product lines

## Organic Growth

- Geographical expansion
- New product releases
- Adoption of XRF and fusion as an analytical technique
- Increased volumes in mining

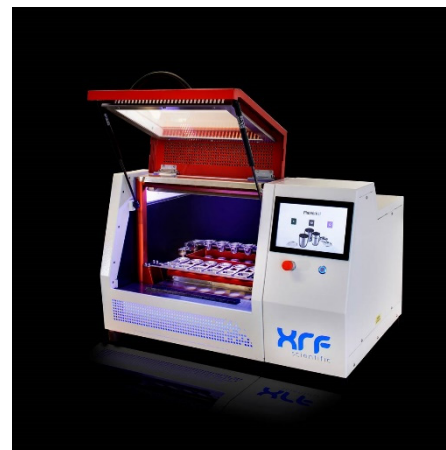
## XrFUSE electric fusion



### Fully automatic electric fusion machines

- Safe “cold to cold” operation
- Zero contamination
- Proven furnace technology
- Robust and reliable design
- Simple user interface

## Phoenix II Gas fusion



### Next generation gas fusion machine

- Enhanced temperature control
- Simple user interface
- Safe operating environment
- Improved aesthetic design

## xrWeigh

### XRF flux dosing machine

- Accurately doses flux to remove manual weighing
- Removes errors from manual processes and reduces labour costs
- Simple user interface and limited training required



## XRF drift monitors

### Coltide XRF Drift Monitors

- World wide renowned Coltide Ausmon drift monitors
- Designed to monitor drift in XRF analysis results
- 9 standard products as well as custom designs

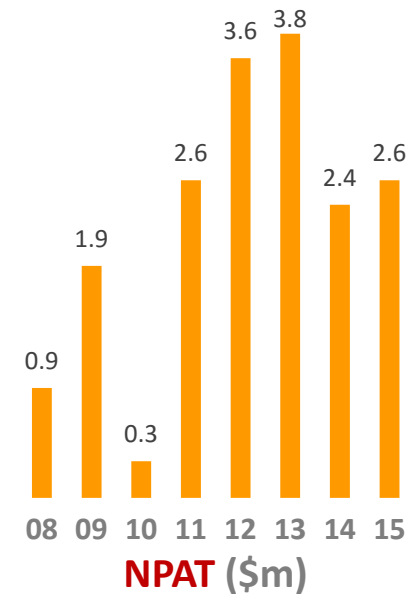
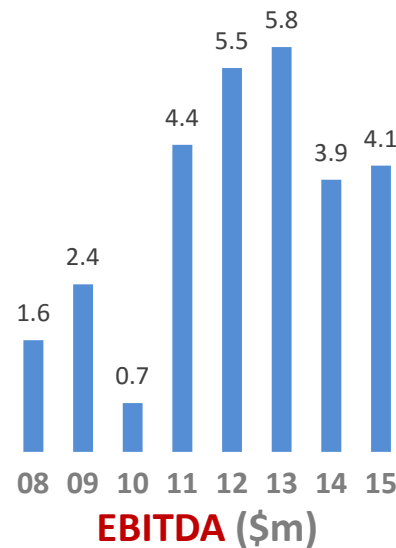
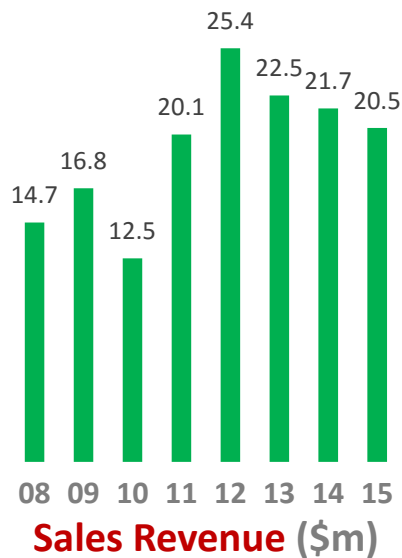


# Results Snapshot

Revenue down 5% on FY14

EBITDA up 4% on FY14

NPAT up 8% on FY14



# Full Year Results – Overview

(\$m)	2015	2014	Change %
Sales revenue	20.5	21.7	(5%)
EBITDA	4.1	3.9	4%
Profit before tax	3.6	3.6	3%
Acquisition costs and R & D expensed	0.3	0.3	(23%)
<b>Underlying profit before tax</b>	<b>3.9</b>	<b>3.9</b>	1%
<b>Net profit after tax</b>	<b>2.6</b>	<b>2.4</b>	8%
Earnings per share (cents)	2.0	1.8	11%
Weighted average no. of shares	132,157,097	132,157,097	0%
Number of employees	61	64	(5%)
Dividends (cents per share)	1.2	1.1	9%
Dividend payout ratio	60%	61%	

# Cash Flow Statement

(\$m)	2015	2014	Change %
Net cash inflow from operating activities	4.1	2.6	58%
Net cash (outflow) from investing activities	(1.4)	(2.8)	(48%)
Net cash (outflow) from financing activities	(2.1)	(2.2)	(6%)
Cash at start of period	6.2	8.6	(28%)
Net increase/(decrease) in cash	0.6	(2.4)	(123%)
Cash at end of period	6.8	6.2	9%

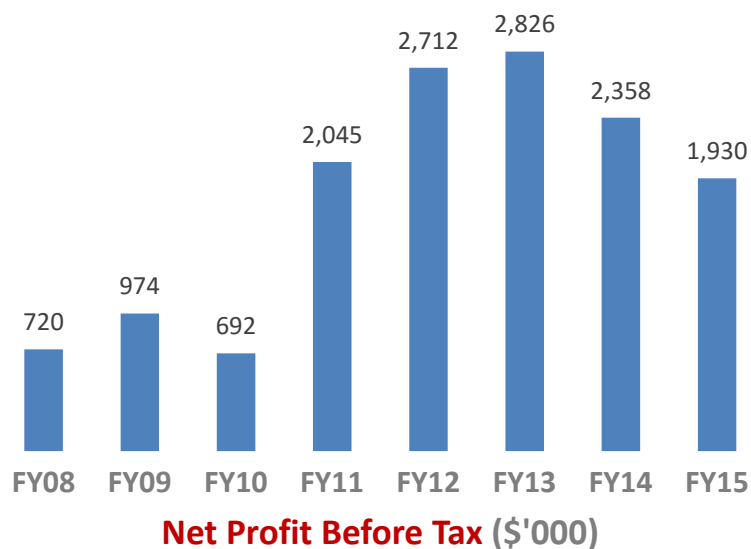
# Robust Balance Sheet

(\$m)	2015	2014	Change %
Cash and cash equivalents	6.8	6.2	9%
Trade and other receivables	3.2	3.9	(18%)
Inventories	2.6	3.0	(14%)
Other assets	0.3	0.2	41%
Investments using the equity method	0.5	0.7	(15%)
Property, plant and equipment	3.4	3.6	(5%)
Intangible assets	14.6	13.5	8%
Deferred tax asset	0.4	0.4	0%
<b>Total assets</b>	<b>31.8</b>	<b>31.5</b>	<b>1%</b>
Trade and payables	1.7	1.9	(11%)
Debt	-	-	-
Income tax liability	0.1	0.3	(60%)
Deferred tax liability	0.2	0.2	36%
<b>Total liabilities</b>	<b>2.0</b>	<b>2.4</b>	<b>(13%)</b>
<b>Total equity</b>	<b>29.8</b>	<b>29.1</b>	<b>2%</b>

## Highlights:

- Strong cash balance of \$6.8m
- Zero debt
- Acquisitions of \$1.2m
- Payment of maiden interim dividend in March 2015

(\$m)	FY15	FY14
<b>Sales revenue</b>	<b>6.0</b>	<b>6.4</b>
Change in %	(6%)	(11%)
<b>NPBT</b>	<b>1.9</b>	<b>2.4</b>
Change in %	(18%)	(17%)
<b>Margin %</b>	<b>32%</b>	<b>37%</b>



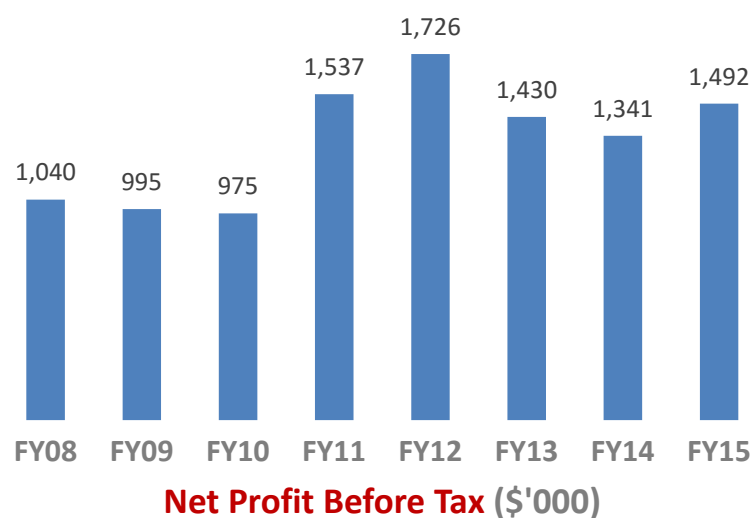
## ■ Overview for FY15:

- Revenue down 6% on FY14
- NPBT down 18% on FY14
- Acquisition and integration of ICPH Flux
- Forex impact from USD raw materials

## ■ Outlook for FY16:

- Full-year contribution from ICPH Flux
- New production based clients
- Continue efforts of expanding international sales

(\$m)	FY15	FY14
<b>Sales revenue</b>	<b>10.0</b>	<b>10.5</b>
Change in %	(4%)	23%
<b>NPBT</b>	<b>1.5</b>	<b>1.3</b>
Change in %	11%	(6%)
<b>Margin %</b>	<b>15%</b>	<b>13%</b>



## ■ Overview for FY15:

- Revenue down 4% on FY14
- NPBT up 11% on FY14
- New product sales generated by fusion machine releases
- Strong performance by office in Canada

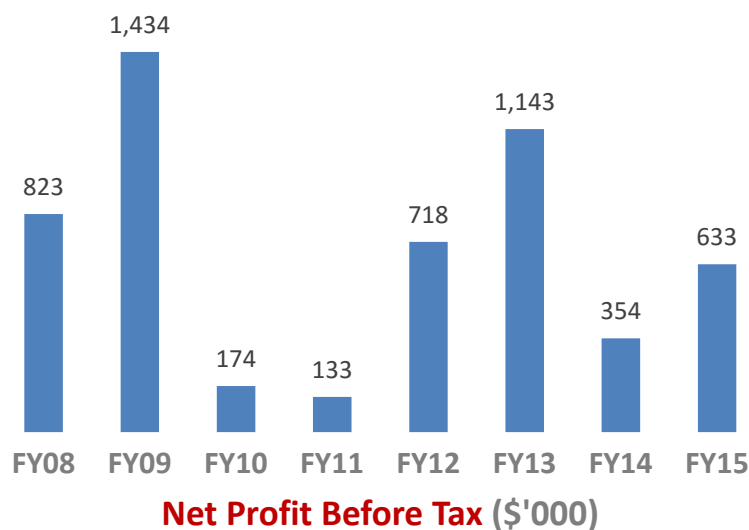
## ■ Outlook for FY16:

- New product sales to continue to flow from Capital Equipment sales
- International growth opportunities from FTAs
- Expansion of production facility and capabilities



# Capital Equipment

(\$m)	FY15	FY14
<b>Sales revenue</b>	<b>5.7</b>	<b>5.6</b>
Change in %	3%	(34%)
<b>NPBT</b>	<b>0.6</b>	<b>0.4</b>
Change in %	79%	(69%)
<b>Margin %</b>	<b>11%</b>	<b>6%</b>



## ■ Overview for FY15:

- Revenue up 3% on FY14
- NPBT up 79% on FY14
- Launch of xrFuse 2, Phoenix II and xrWeigh
- Growing xrFuse revenue base
- Obsolete stock w/off of \$120k

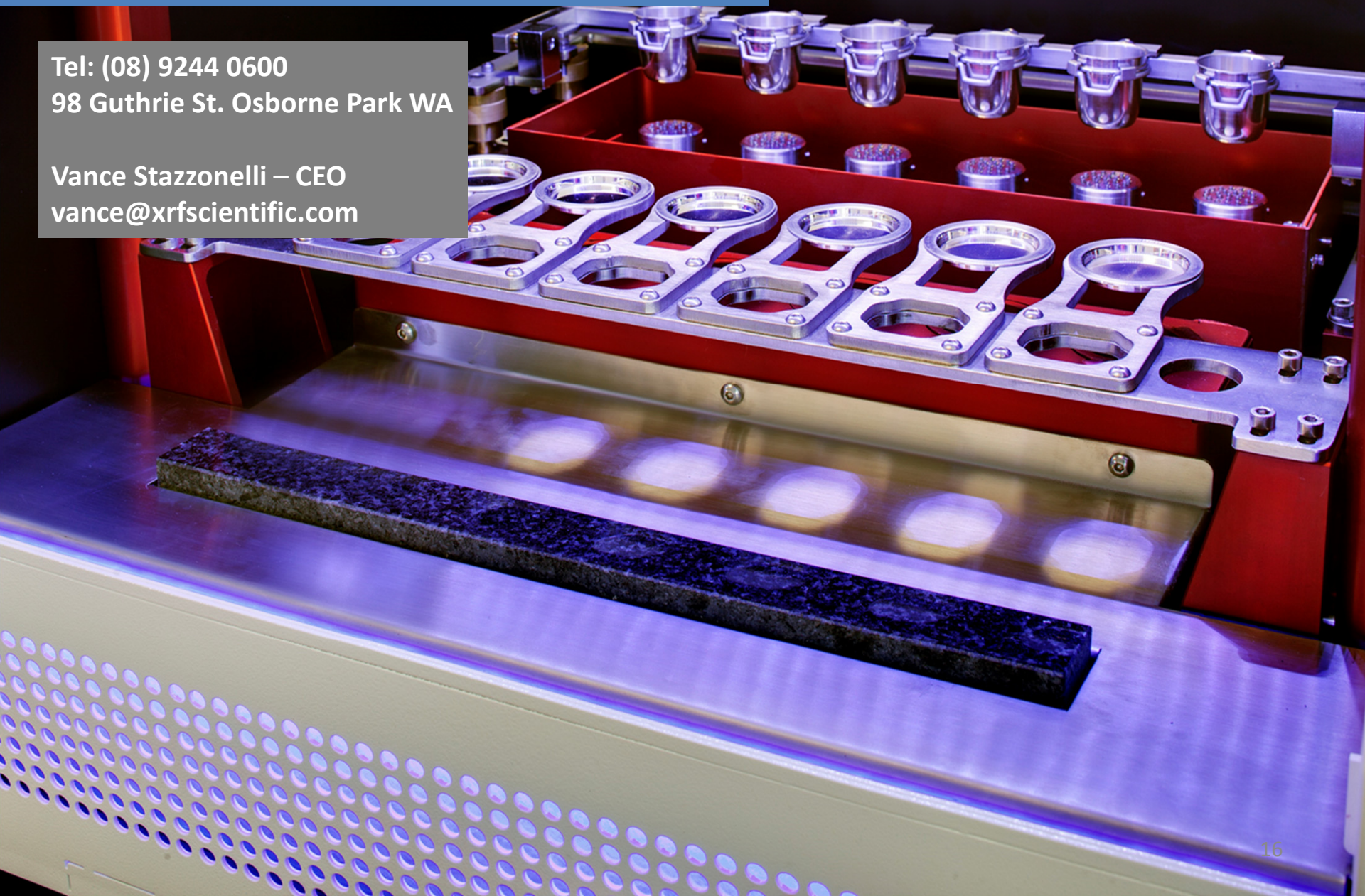
## ■ Outlook for FY16:

- Continue product development initiatives
- Focus on product manufacturing costs
- Further development of international sales network

# Contact Information

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