



AGM Presentation
October 2022



Our Technology

Sample Preparation Technology

Mining and Manufacturing



Minerals:
Iron ore
Gold
Nickel
Copper
Aluminium
Bauxite
Manganese
Uranium
Lithium
Mineral sands
Commercial labs

Materials:
Cement
Steel
Glass
Ceramics
Research
Education

Raw
Samples



Prepared
Samples

Chemical Analysis



Analysis Techniques:
XRF
ICP
Fire Assay*
Photon Assay*

**New exposure added via 50% Orbis Mining acquisition*

Lab Products

Sample Preparation Products

X-Ray Flux

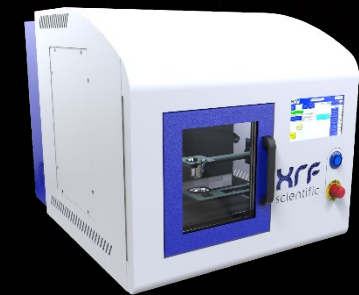


Platinum Labware



Recycling service of turning used platinum products into new items

Fusion Machines



Lab Products

Orbis Mining Pty Ltd 50% Acquisition



Laboratory Jaw
Crushers

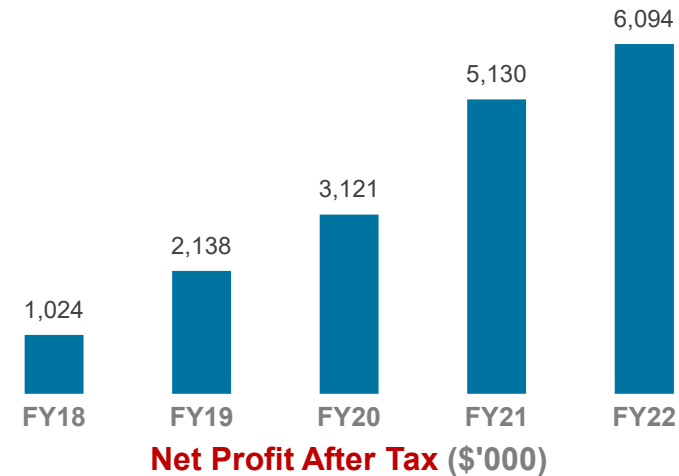
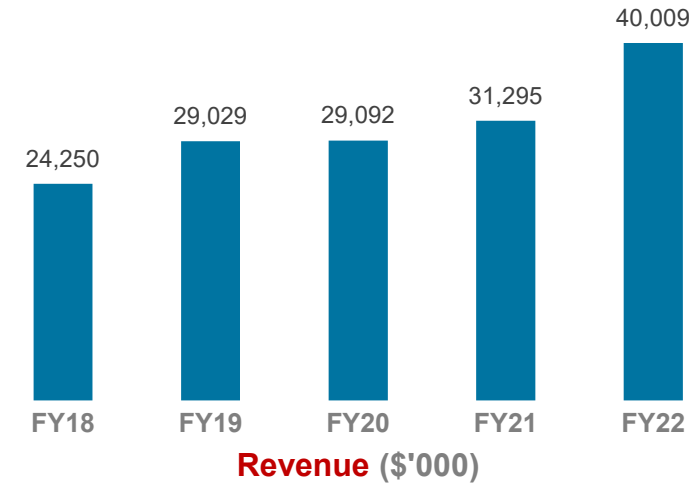


Smart Splitting
Crushing Systems

FY22 Financial Highlights



- Revenue up 28% to \$40m vs FY21
- NPAT up 19% to \$6.1m vs FY21
- Adjusted PBT up 38% to \$8.2m vs FY21
- Fully franked dividend of 2.5 cents per share
- Orbis Mining Pty Ltd fully consolidated into XRF's accounts with minority interest reflected in profit or loss statement. \$1.9m revenue contribution for FY22



Full Year Results - Overview

(\$m)	2022	2021	Change	2020	2019
Sales revenue	40.0	31.3	28%	29.1	29.0
Profit before tax	8.2	6.8	21%	4.5	3.2
Adjusted profit before tax*	8.2	5.9	38%	4.2	3.2
Net profit after tax	6.1	5.1	19%	3.1	2.1
Earnings per share (cents)	4.5	3.8	18%	2.3	1.6
Weighted average no. of shares	135,469,700	134,345,542	1%	133,825,803	133,825,803
Dividends (cents per share)	2.5	2.0	25%	1.4	1.0
Dividend payout ratio	56%	*60%		60%	63%
<i>*As a percentage of adjusted NPAT</i>					
 <i>*Adjustments (\$)</i>					
COVID-19 wages subsidies	-	(826,629)		(212,729)	-
COVID-19 other grants/subsidies	-	(29,522)		(74,776)	-
COVID-19 payroll tax refunds	-	-		(82,837)	-
Interest on early loan repayment	-	-		22,496	-
Redundancy / other employee payments	-	-		97,328	-
Total adjustments	-	(856,151)		(250,518)	-

Balance Sheet

(\$m)	2022	2021	Change
Cash and cash equivalents	6.6	5.3	27%
Trade and other receivables	6.2	4.5	39%
Inventories	15.6	12.5	24%
Other assets	0.5	0.4	29%
Property, plant and equipment	7.9	8.1	(3%)
PPE lease asset	0.7	0.6	21%
Intangible assets	17.0	15.9	7%
Deferred tax asset	1.0	1.1	(2%)
Total assets	55.5	48.4	15%
Trade and payables			
- platinum loan provisions	2.6	3.8	(30%)
- other items	4.7	3.0	61%
Debt (short-term)	1.3	0.8	58%
Debt (long-term)	1.5	0.0	100%
Current lease liabilities	0.4	0.4	(4%)
Non-current lease liabilities	0.4	0.2	62%
Income tax liability	0.7	0.6	26%
Deferred tax liability	0.6	0.5	16%
Total liabilities	12.2	9.3	32%
Total equity	43.3	39.1	11%

- Net cash position of \$3.8m
- Consumables division inventories increased by \$2.4m due to lithium price increases
- \$0.9m of platinum on loan converted to owned inventory asset. Platinum asset remains classified as Inventories. Liability shifts from Platinum Loan Provisions to Debt
- Balance of \$1.1m in debt increase is for short-term lithium inventory funding
- Orbis Mining acquisition movement contributions at 30 June 2022:
 - Trade and other receivables: \$0.4m
 - Inventories: \$1.1m
 - Intangible assets: \$0.9m
 - Trade and payables (other items): \$1.0m

Cash Flow Statements

(\$m)	2022	2021
Net cash inflow from operating activities	3.1	4.5
Net cash (outflow) from investing activities	(1.1)	(0.6)
Net cash inflow/(outflow) from financing activities	(0.7)	(2.2)
Cash at start of period	5.3	3.6
Net increase/(decrease) in cash	1.3	1.7
Cash at end of period	6.6	5.3

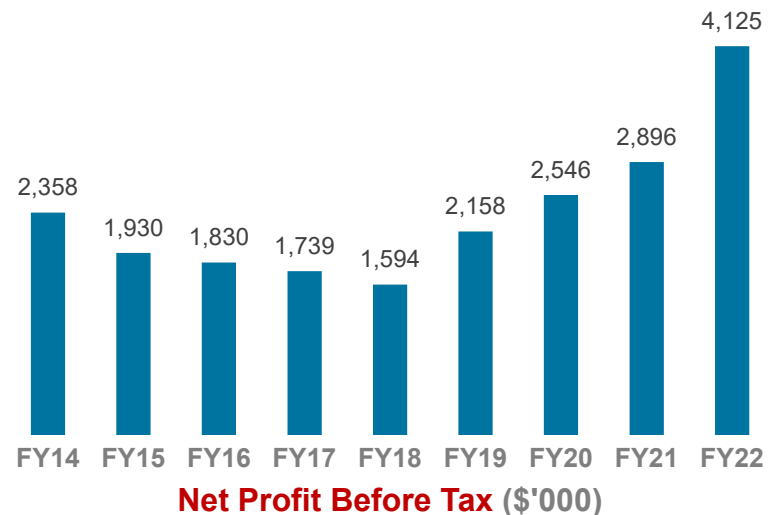
Highlights:

- \$2.1m cash paid out for FY21 dividend (FY20 dividend cash: \$1.65m)
- Operating cash flow impacted by:
 - Conversion of \$0.9m in platinum on loan to owned asset resulted in \$0.9m additional outflow from operating activities and \$0.9m inflow from financing activities
 - Increase in Consumables division stock position of \$2.4m due to lithium production chemical price increases

Consumables

(\$m)	FY22	FY21	FY20
Sales revenue	12.1	9.3	8.9
Change in % *	30%	5%	11%
NPBT	4.1	2.9	2.5
Change in % *	42%	14%	18%
Margin %	34%	31%	29%

* Compared to immediately prior period



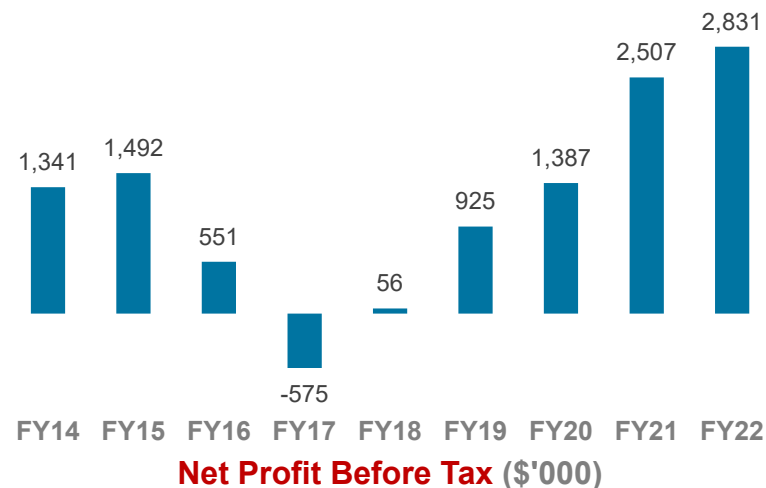
Overview for FY22:

- Revenue up 30% on FY21
- NPBT up 42% on FY21
- Robust demand from the mining sector driven by production and exploration
- Key production input lithium compounds rising in price due to demand from EV sector and added \$2.4m to our inventories. Revenue and costs increased, with no negative impact on margins. Situation expected to continue in FY23
- Inventory levels expected to rise by a further \$2.3-2.8m during 1H23. Additional working capital requirements for lithium should level off by around December 2022

Precious Metals

(\$m)	FY22	FY21	FY20
Sales revenue	18.3	14.4	13.2
Change in % *	28%	9%	1%
NPBT	2.8	2.5	1.4
Change in % *	13%	81%	50%
Margin %	15%	17%	10%

* Compared to immediately prior period



Overview for FY22:

- Revenue up 28% on FY21
- NPBT up 13% on FY21
- Adjusted NPBT up 33% on FY21 (ex COVID-19 subs)
- Strong demand from mining and industrial markets, for both new product and recycling sales
- Reoccurring orders from mining customers, as increased sample testing requires regular recycling of spent platinum labware products
- New customers in specialised fields, including platinum products to produce medical glass and crystal growth
- Germany office contributed revenue \$5.5m (FY21: \$3.6m) and NPBT \$453k (FY21: \$199k)

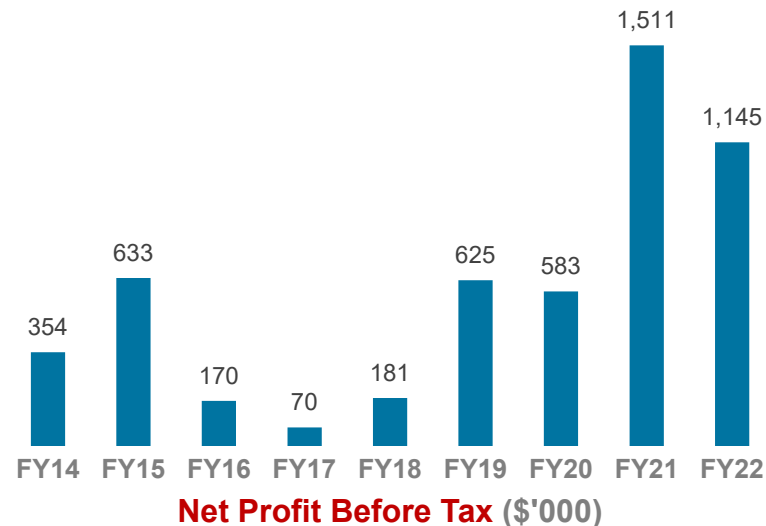
*COVID-19 wages subsidies included in NPBT:

- FY22: Nil
- FY21: \$362k
- FY20: \$114k

Capital Equipment

(\$m)	FY22	FY21	FY20
Sales revenue	10.8	9.6	8.0
Change in % *	12%	20%	(13%)
NPBT	1.1	1.5	0.6
Change in % *	(24%)	159%	(7%)
Margin %	11%	16%	7%

* Compared to immediately prior period



Overview for FY22:

- Revenue up 12% on FY21
- NPBT down 24% on FY21
- Adjusted NPBT up 3% on FY21 (ex COVID-19 subs)
- High levels of machines demand from the mining and industrial sectors. Growing installed machine base is increasing spare parts revenue over time
- Order book continues to grow to new record levels, with some product lines booked out for production for 1H23
- 50% acquisition of Orbis Mining Pty Ltd, contributing laboratory crusher revenue of \$1.8m during 2H. Significant revenue growth expected for FY23 based on current sales momentum

*COVID-19 wages subsidies included in NPBT:

- FY22: Nil
- FY21: \$392k
- FY20: \$93k

September 2022 Quarterly Report

Quarter results for period ended 30 September

	September 2022 Quarter	September 2021 Quarter	Change %
Revenue	\$12.6m	\$9.5m	32%
Profit Before Tax	\$2.4m	\$1.7m	45%



- The results were driven by activity in the mining sector and buoyant demand for capital equipment products
- **Consumables:**
 - Sales \$3.8m for Q1 23 (Q1 22: \$2.6m)
 - Mining production and exploration sample analysis continued to generate strong demand. Lithium prices remain high
 - New product release: XR-tab for pressed pellets sample preparation
- **Capital Equipment:**
 - Sales \$4.0m for Q1 23 (Q1 22: \$2.5m)
 - Production order book of up to six months for our main product lines
 - \$1.5m revenue for Q1 23 from Orbis Mining lab crushers product line
- **Precious Metals:**
 - Sales \$4.7m for Q1 23 (Q1 22: \$4.5m)
 - We are seeing a high level of platinum labware remanufacturing orders, as well as new product sales related to new machine purchases
- We expect the December 2022 quarter to be a positive period, with high levels of activity occurring in the mining industry and new product developments being progressed

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