

27 July 2023

Q4 FY23 Quarterly Activities Report and Appendix 4C & FY24 Guidance

Chrysos Corporation Ltd (ASX:C79) (“Chrysos” or the “Company”) is pleased to deliver its Quarterly 4C Report and summary of its activities for the period ended 30 June 2023 (Q4 FY23) and to provide guidance for the FY24 financial year

Q4 FY23 Results

- Strong momentum continued, with Unaudited Total Revenue¹ of \$8.6m in Q4 FY23, reflecting 27% growth Quarter-on-Quarter (QoQ) and 83% growth Year-on-Year (YoY)
- FY23 Unaudited Total Revenue in excess of Prospectus Forecast at \$26.8m
- FY23 EBITDA is expected to surpass the FY23 Prospectus Forecast of \$3.2m and will be announced with the Annual Results
- Total of 49 contracted PhotonAssay™ units including 20 currently deployed, with the next unit, located in Ghana, expected to be operational in Q1 FY24
- Q4 FY23 sample volumes rose to 978k representing a 20% increase QoQ and a 50% increase YoY
- Positioned for ongoing global growth with \$53.4m cash in the bank as at 30 June 2023, and access to \$21.5m as committed debt funding by the Commonwealth Bank of Australia (CBA)

FY24 Guidance

- FY24 Total Revenue range of \$48m to \$58m, an increase of almost 100% at the midpoint
- FY24 EBITDA range of \$7m to \$17m, a substantial uplift on FY23
- At least 18 PhotonAssay™ units forecast to be deployed in FY24

Chrysos Managing Director and CEO Dirk Treasure commented:

“Chrysos’ strong momentum through Q4 FY23 drove robust YoY revenue growth of 83%. The continuation of our global PhotonAssay deployment plan has meant we have exceeded our FY23 Prospectus targets for both Revenue and EBITDA. We are pleased to provide FY24 guidance, forecasting substantial revenue growth, underpinned by our growing fleet of PhotonAssay units in key mining hubs across the world. By the end of FY24 we expect to have at least 38 units deployed globally.”

Q4 FY23 Key Performance Metrics

	Q4 FY23	YoY comparison to Q4 FY22	QoQ Comparison to Q3 FY23
Deployed units	20	10	18
PhotonAssay™ Lease Agreements	49	38	49
Total Contract Value (TCV) ²	\$702m	\$559m +26%	\$708m -1%
Samples Processed	978k	651k +50%	818k +20%
Unaudited Total Revenue ¹	\$8.6m	\$4.7m +83%	\$6.7m +27%
Minimum Monthly Assay Payments (MMAP)	\$6.8m	\$3.4m +97%	\$5.7m +18%
Additional Assay Charges (AAC)	\$1.04m	\$0.97m +7%	\$0.63m +66%

¹ Revenue is unaudited and includes operating lease and other income.

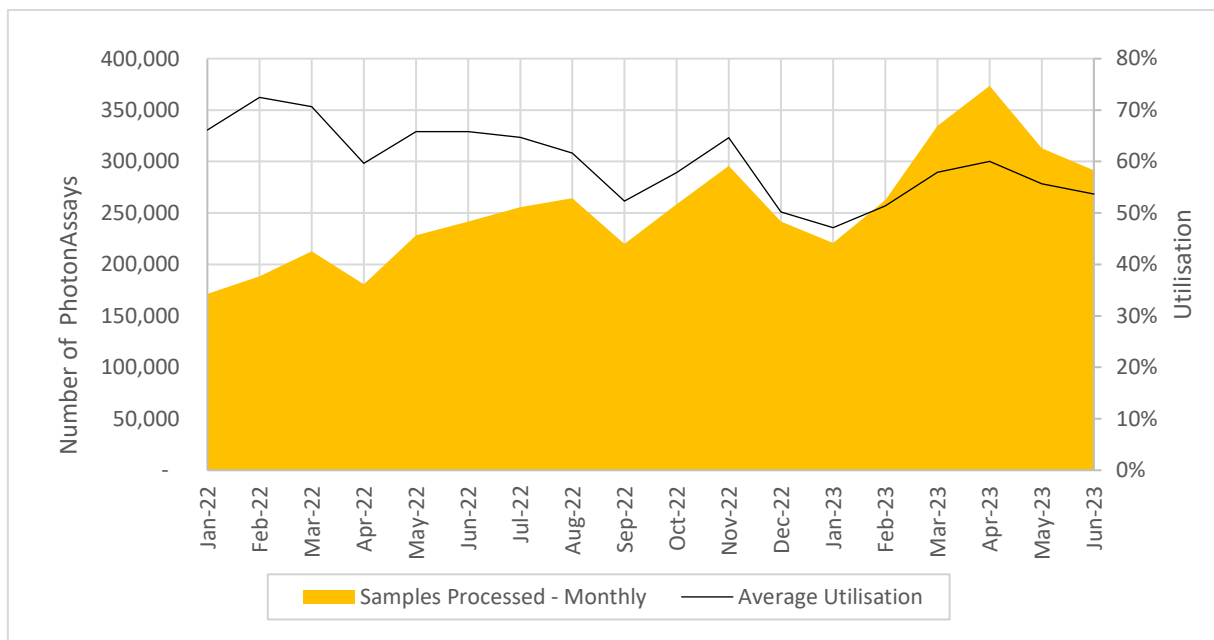
² TCV reflects contracted revenue netted off against income which converted to invoiced unaudited Revenue during the Quarter.



Operational Highlights

- Chrysos' global deployment team completed the installation of two new PhotonAssay™ units during the Quarter:
 - Timmins, Canada for MSALABS
 - Obuasi, Ghana for MSALABS
- The next PhotonAssay™ unit, being deployed in Ghana, is expected to be operational in Q1 FY24
- MSALABS has confirmed the deployment location of two of their already contracted PhotonAssay™ units. These units will be deployed into Geita, Tanzania and Kankan, Guinea
- The MSALABS PhotonAssay™ unit previously deployed in Morila, Mali is currently being installed in Bamako, Mali. Chrysos is working with the MSALABS team and expects this unit to be operational in the coming months
- Congruent with its growing global footprint, the Company recently created two new Executive roles, a Chief Operating Officer and Chief Marketing Officer. Both roles will support the Company's FY24 objectives
 - Alvin Chowles has been promoted internally to become COO. Chowles is a founding Chrysos team member and was previously Global Operations Manager
 - Former Microsoft marketing executive, Vivianne Arnold has joined as CMO. Arnold was previously a Worldwide Director for Marketing at Microsoft
- During the Quarter, Ravenswood Gold Mine held the official opening of their expansion project. The Queensland Resources Minister, The Hon. Scott Stewart MP officially opened the project and personally operated a PhotonAssay™ Unit

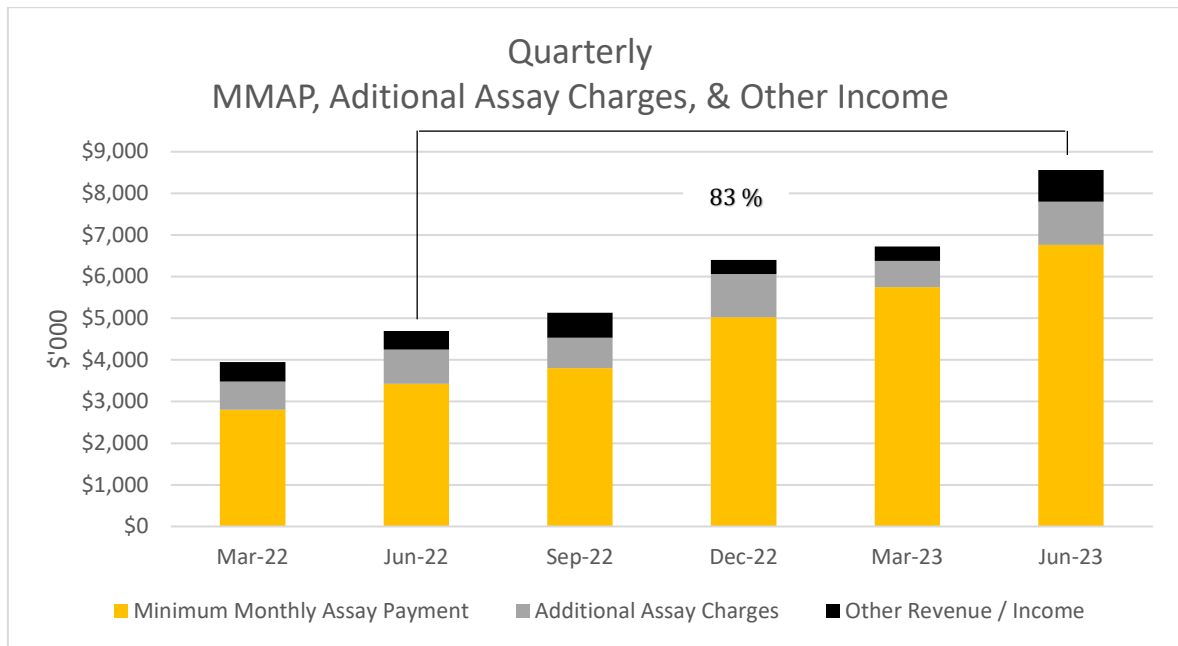
Chart 1: Deployed Unit Utilisation & Samples Processed



Sample volumes continue to increase on a Quarterly basis as Chrysos deploys new PhotonAssay™ units. 978k samples were processed during the Quarter, reflecting QoQ growth of 20% and YoY growth of 50%. The Q4 FY23 deployed unit utilisation rate averaged 56%, bringing the FY23 average utilisation rate to 56% in comparison with the FY23 Prospectus Forecast of 55%.



Chart 2: Quarterly Growth in MMAP, Additional Assay Charges & Other Income



Unaudited Total Revenue grew 27% QoQ to \$8.6m, due largely to proceeds from Minimum Monthly Assay Payments (MMAP) which increased 18% QoQ in line with Chrysos' growing deployed unit base. Additional Assay Charges (AAC) totaled \$1.0m for the quarter, an increase of 66% QOQ. Chrysos' revenue model continues to provide strong reliable cashflows to the Company from deployed units, whilst Other Income is derived through the provision of sample jars and lids to customers.

FY24 Guidance

FY24 revenue is expected to be within the range of \$48m-\$58m

The FY24 Revenue forecast is based on Minimum Monthly Assay Payments (MMAP) from currently operating units and the additional 18 units scheduled for deployment through the financial year. Additional Assay Charges (AAC), which are incremental to contractually-committed MMAP, contribute significantly to the wide scope of this guidance. The FY24 Revenue forecast does not include any provision for consumables supply as the Company has now brought on a third global jar supplier. While this will have an impact on future revenue, it has only a nominal impact on EBITDA and profitability.

FY24 EBITDA is expected to be within the range of \$7m-\$17m

Chrysos' costs are largely driven by future growth and new deployments. Costs are only marginally related to the volume of samples processed by PhotonAssay™ units. For example, a PhotonAssay™ unit that is running at 70% capacity is only fractionally more expensive for Chrysos to support than a unit operating at 50% capacity. Accordingly, the forecast EBITDA range is primarily driven by revenue. As Chrysos continues to cluster units and leverage its global deployment, support and maintenance teams, the Company's average unit-by-unit costs are expected to decrease.

At least 18 additional units to be deployed during FY24

During FY23, Chrysos enhanced its installation capability with globally distributed deployment teams. This has given the business confidence in its ability to deploy units in multiple regions simultaneously. Chrysos' core manufacturers have also proven their ability to ramp-up on a global basis in support of



the deployment schedule. Accordingly, Chrysos is confident it can install at least 18 units during FY24, bringing the total number of units deployed to a minimum forecast of 38 units.

Retired Metric - Total Contract Value

Early in Chrysos' business lifecycle, before the Company had a substantial leased unit base, Total Contract Value (TCV) was considered a useful short-term metric to illustrate the strength and value of its commercial contracts. However, Chrysos has scaled substantially across the globe and with a deep pipeline of 49 contracts already in place, the business is able to confidently pursue increasingly strategic contracts and partners. Accordingly, TCV no longer provides the best reflection of its commercial and operational status and will be retired in FY24.

Cash Flow Summary

During Q4 FY23, the Company recorded cash receipts from customers of \$6.6m, compared to \$5.6m in Q3 FY23. Q4 FY23 net operating cash outflows totaled \$0.6m, while full year net operating cashflow remained positive at \$4.2m. During the Quarter, some revenue included the conversion of previous receipted client deposits being applied against invoices. The Company also finalised inventory movements, which were outlined in the previous Quarter's 4C.

Staff, corporate and administration costs remain in line with Prospectus expectations, reflecting Chrysos' increasing headcount to support growth.

In accordance with ASX Listing Rule 4.7C, Chrysos advises payments to related parties and their associates for Q4 FY23 were \$207k. These payments were related to Director fees and expenses paid to Directors and their associates, as well as rent to the CSIRO which is a substantial shareholder of Chrysos Corporation.

Chrysos Corporation ended Q4 FY23 with \$53.4m cash in the bank.

A copy of the Appendix 4C – Quarterly Cash Flow Report for the Quarter is appended.

Investor Webcast

Dirk Treasure, Managing Director and CEO of Chrysos Corporation, and Chrysos' CFO Brett Coventry, will host a webcast and conference call for analysts and investors at 10.30am AEST today.

The links for participant registration are available below.

Webcast: <https://webcast.openbriefing.com/c79-qtr-2023/>

Conference call: <https://s1.c-conf.com/diamondpass/10031257-3jq942.html>

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About Chrysos Corporation

Headquartered in Adelaide, with operations spanning Australia, Canada and Africa, Chrysos Corporation combines science and software to create technology solutions for the global mining industry. The Company's flagship product PhotonAssay™ delivers faster, safer, more accurate and environmentally-friendly analysis of gold, silver, copper and other elements. For more information about Chrysos or its PhotonAssay™ technology, visit www.chrysoscorp.com

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This announcement was authorised for release by the Chair of Chrysos Corporation Limited.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Chrysos Corporation Limited

ABN

76 613 131 141

Quarter ended ("current quarter")

June 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	6,577	24,777
1.2 Payments for		
(a) research and development	(16)	(119)
(b) product manufacturing and operating costs	(1,327)	(2,667)
(c) advertising and marketing	(64)	(109)
(d) leased assets	(480)	(967)
(e) staff costs	(3,417)	(11,830)
(f) administration and corporate costs	(2,042)	(5,376)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	559	1,590
1.5 Interest and other costs of finance paid	(424)	(1,139)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(634)	4,160
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(11,373)	(45,722)
(d) investments	-	-
(e) intellectual property	(278)	(1,367)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		-
	(b) businesses	-	-
	(c) property, plant, and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(11,651)	(47,089)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	317
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	8,662
3.6	Repayment of borrowings	(208)	(5,108)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material) (Repayment of Customer Debt)	-	-
3.10	Net cash from / (used in) financing activities	(208)	3,871

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	65,451	92,051
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(634)	4,160
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(11,651)	(47,089)

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(208)	3,871
4.5	Effect of movement in exchange rates on cash held	401	366
4.6	Cash and cash equivalents at end of period	53,359	53,359

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	15,454	20,046
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (term deposits)	37,905	45,405
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	53,359	65,451

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	207
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Includes directors fees and rent paid to CSIRO for the quarter.</p>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	30,000	8,454
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	30,000	8,454
7.5 Unused financing facilities available at quarter end		21,546
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Loan facilities are with the Commonwealth Bank, covenants are to be reported quarterly and is secured by a general security interest over the assets of the Company.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(634)
8.2 Cash and cash equivalents at quarter end (item 4.6)	53,359
8.3 Unused finance facilities available at quarter end (item 7.5)	21,546
8.4 Total available funding (item 8.2 + item 8.3)	74,271
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	117
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27th July 2023.....

Authorised by: Chief Financial Officer.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.