



# Faster, more accurate **gold** analysis

## 1H FY24 Financial Results

22 February 2024

Dirk Treasure, Managing Director and CEO

Brett Coventry, CFO

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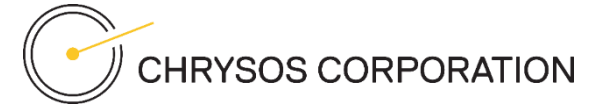
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# Chrysos – revolutionising the global mining industry



Chrysos is a global provider of novel assay services through its proprietary PhotonAssay™ technology

## Disruptive Minerals Analysis Technology

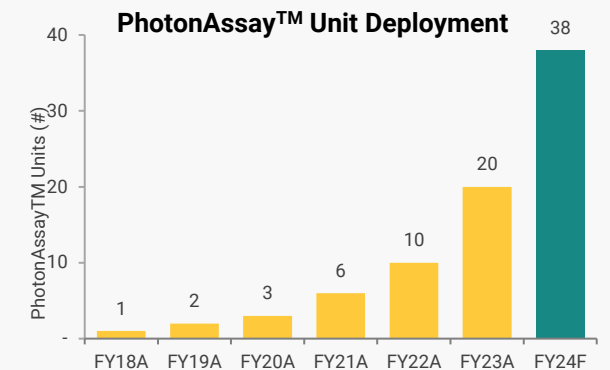
- Developed by CSIRO
- Faster process
- More accurate results
- Reduced sample preparation
- Automated operation
- Lower labour requirements
- Improved workplace OHS
- Better environmental outcomes
- Larger, more representative, sample size

## Service and Lease Model with Tier 1 Counterparties

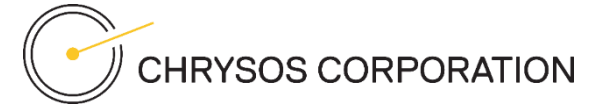
- Units operating commercially since 2018
- Deployed across 4 continents
- Over 8.0m commercial samples processed
- Secure Long-Term Revenue
- Unit deployments contracted out to 2025
- Upside on revenue via increased unit utilisation
- Annual Return on Invested Capital 47% - 82%
- Mosaic of technology patents protects from competition

## Industry Accepted Technology Displacing Traditional Fire Assay

- Non-discretionary industry spend
- Total Addressable Market (TAM) of 610 units globally
- Used in JORC and NI43-101, ISO17025
- Ability to analyse additional elements to gold
- Exponential growth supported by pre-contracted units



# Financial and operating highlights



1H FY24 Total Revenue<sup>1</sup> of \$19m, reflecting 64% growth YoY

## \$19m

### Total Revenue<sup>1</sup>

- MMAP Revenue of \$16.6m, AAC Revenue of \$2.3m
- **+64% growth on YoY total revenue**
- **+72% growth on YoY MMAP/AAC revenue**

## \$2.3m

### EBITDA

- +262% growth YoY
- 12.0% EBITDA margin (up from 5.5% in 1HFY23)
- Improving operational leverage

## \$85m

### Cash position

- Well-funded to support PhotonAssay™ unit growth:
  - \$95m undrawn debt
  - \$75m capital raise completed
- **Net available cash of \$180m for future growth**

## 27

### Deployed units<sup>2</sup>

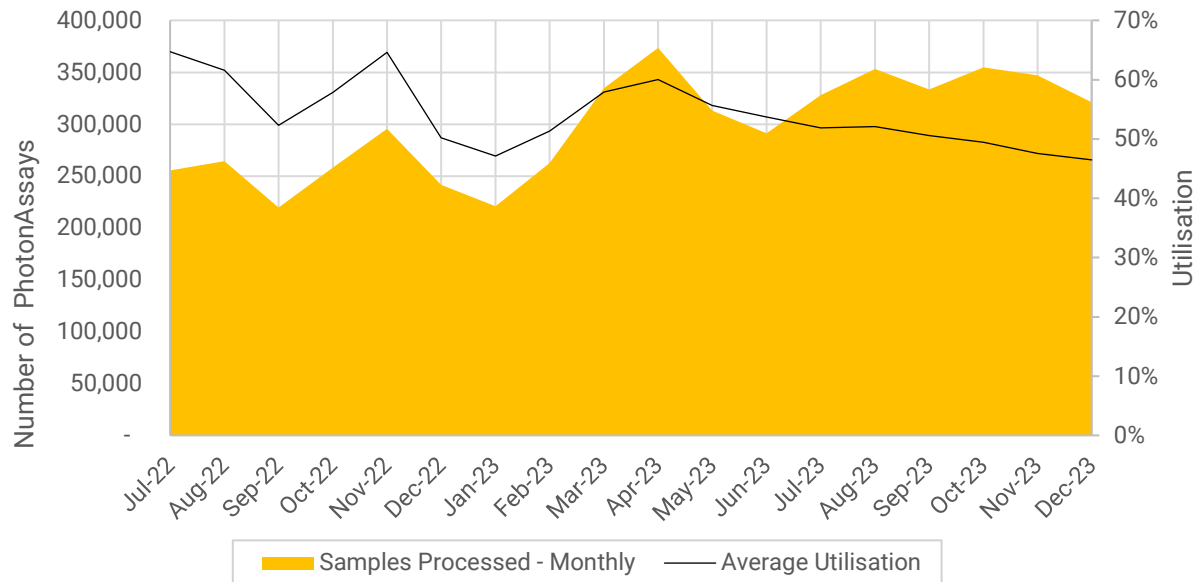
- 4 new units deployed in 1H FY24, 3 deployed post-period
- Successful redeployment of 1 unit in West Africa
- **49 deployed or contractually-committed PhotonAssay™ units**

1. Revenue includes operating lease and other income  
2. Deployed units are those units which have passed Site Acceptance Testing as of 22 February 2024

# Sample volume growth

## Ongoing adoption by global miners

### Average Unit Utilisation & Samples Processed



### Example Customers



Laboratories

**Intertek MSALABS ALS**

**Britannia Mining Solutions**

**Alfred H Knight SGS**



Miners

**Barrick Gold Corporation**

**Agnico Eagle Ravenswood Gold**

**Novo Resources Corp**

# Executing on our global PhotonAssay™ roll out

Strong and sustainable growth underpinned by roll out of contracted units across the globe

## 27 Units Deployed<sup>1</sup>



○ Offices & Manufacturing      ● Regions with PhotonAssay™ enquiries      ● Deployed or installing regions

### Growing network of units in global mining hubs

- Western Australian Goldfields
- Golden Triangle Canada
- Abitibi, Canada
- West Africa

## Deployment schedule

- Now operating PhotonAssay™ on four continents
- Earlier customer-engagement enacted to streamline upcoming deployments and mitigate deployment delays
- Continued expansion of the deployment team
- Targeting deployment of 18 units in FY24
  - Weighting towards the back end of the financial year, with potential for some installment completions in Q1 FY25

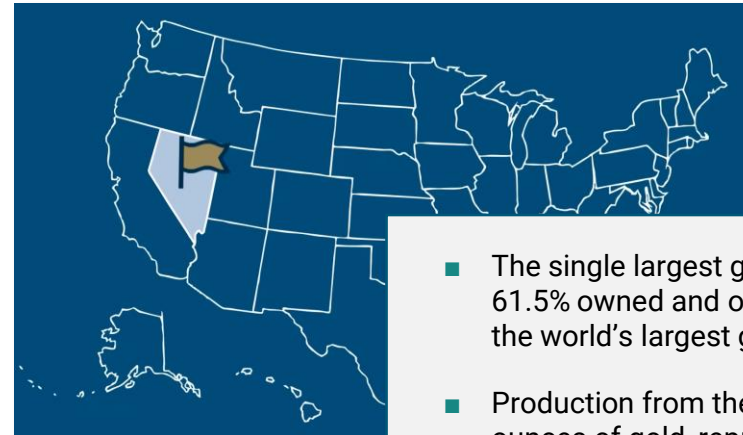
1. As of 22 February 2024

# Chrysos, Barrick and MSALABS partnership

Signal adoption by one of the world's largest gold miners



- Global partnership for delivery of PhotonAssay™ to Barrick mine sites across four continents
- Three initial MSALABS-contracted PhotonAssay™ deployments at the Nevada Gold Mines (NGM) complex in the USA
- Potential deployment of up to 10 more PhotonAssay™ units to other Barrick projects by the end of 2025, subject to finalising due diligence
- Partnership is a watershed in the global adoption of PhotonAssay™ technology and is anticipated to lead to further adoption by global gold miners



- The single largest gold-mining complex in the world, NGM is 61.5% owned and operated by Barrick, and 38.5% owned by the world's largest gold miner, Newmont.
- Production from the operation during 2022 was three million ounces of gold, representing more than half of all gold production in the USA



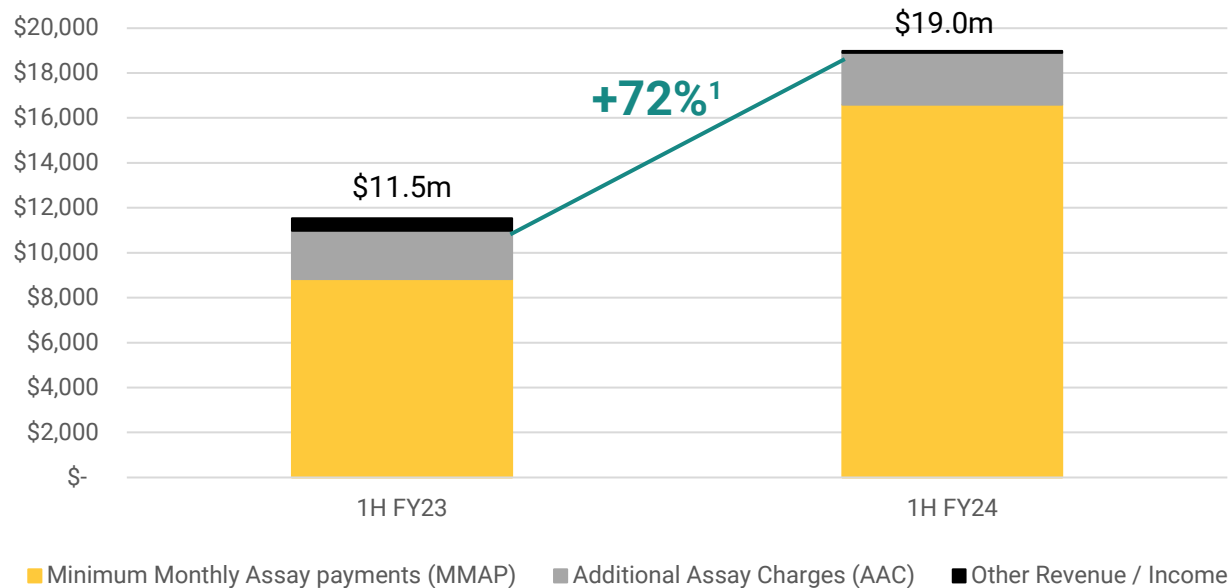
# 1H FY24 Financial Summary



# Top line momentum continuing

Secure forecastable revenue accounts for 88% of 1H FY24 Total Revenue

## MMAP, AAC and Other Income



- Minimum Monthly Assay Payments (MMAP) provide predictable and sustainable minimum revenue
  - 1H FY24 MMAP was \$16.6m, up 88% on 1H FY23 (\$8.8m)
  - The 27 deployed units provide a baseline annualised MMAP of \$50m per year<sup>2</sup>
  - MMAP revenue continues to increase in line with Chrysos' growing deployed unit base
- Additional Assay Charges (AAC) are linked to utilisation, providing revenue on a per-sample basis where customers exceed MMAP
  - AAC accounted for 12% of 1H FY24 Total Revenue

Revenue growth reflects the ongoing performance of deployed units, including four new units in 1H FY24

1. Growth on YoY MMAP/AAC revenue  
2. As of 22 February 2024

# Revenue & profitability

## 1H FY24 Results

\$'000	1H FY23	1H FY24
<b>Revenue and other income</b>		
Revenue	10,976	18,904
Other revenue	560	52
<b>Total revenue</b>	<b>11,536</b>	<b>18,956</b>
PhotonAssay™ costs	(2,379)	(1,802)
Other costs	(529)	(44)
<b>Gross profit</b>	<b>8,628</b>	<b>17,110</b>
<b>Operating expenses</b>		
Employee benefits expense	(5,475)	(10,175)
Travel & marketing costs	(1,112)	(1,329)
Admin and other expenses	(1,412)	(3,328)
<b>Total operating expenses</b>	<b>(7,999)</b>	<b>(14,832)</b>
<b>EBITDA</b>	<b>629</b>	<b>2,278</b>
D&A	(2,649)	(5,294)
<b>EBIT</b>	<b>(2,020)</b>	<b>(3,016)</b>
Net finance and interest	580	(177)
<b>Loss before income tax</b>	<b>(1,440)</b>	<b>(3,193)</b>
Income tax benefit	441	87
<b>NPAT</b>	<b>(999)</b>	<b>(3,106)</b>

## Strong Revenue Growth

- Total Revenue of \$19m continues to grow in line with deployment of PhotonAssay™ units
- Reduction in PhotonAssay™ costs reflects Chrysos' strategy to increase in-house maintenance capability, with a corresponding increase in employee benefit expense
- Growth in EBITDA to \$2.3m as Chrysos continues to establish a global platform and reduce per unit costs
- Employee expenses 86% higher than 1H FY23, aligned with Group's strategy of global growth
- Travel and marketing costs are 20% higher in line with continued global growth and sales activities
- Tax benefit arises from full recognition of deferred tax assets on Australian tax losses

# Cash flow summary

Operationally cash flow positive in the half year

## Historical cash flow summary

\$000's	1H FY23	1H FY24
<b>EBITDA</b>	<b>629</b>	<b>2,278</b>
Non-cash items	986	1,075
Changes in working capital	2,181	(2,789)
<b>Operating cash flows</b>	<b>3,796</b>	<b>564</b>
Sustaining capital expenditure	(2,055)	(1,669)
Growth capital expenditure	(12,246)	(30,551)
Capitalised R&D	(599)	(616)
<b>Total capital expenditure</b>	<b>(14,900)</b>	<b>(32,836)</b>
<b>Free cash flow before financing</b>	<b>(11,104)</b>	<b>(32,272)</b>

## Cash flow

- Positive operating cash flow of \$0.6m to be reinvested into PhotonAssay™ units
- Capital expenditure in line with deployment schedule and expectations
- R&D expenses are in line with expectations
- Positive operating cash flow expected to continue

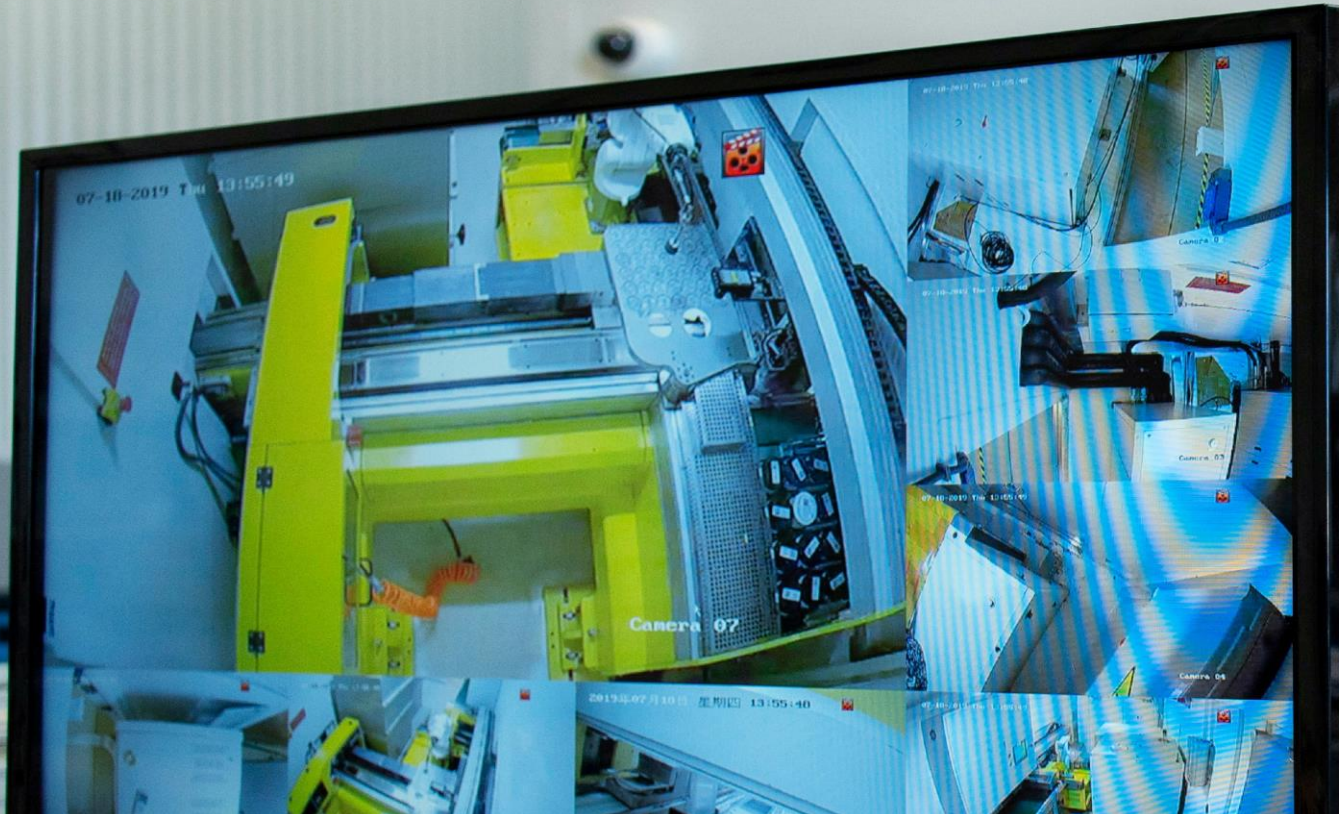
# Balance sheet

\$180m funds available for PhotonAssay™ unit deployment

\$000's	30-Jun-23	31-Dec-23
<b>Assets</b>		
Cash and cash equivalents	53,359	84,705
Trade and other receivables	9,964	10,666
Other current assets (incl prepayments)	6,683	10,833
Non-current assets	93,404	118,324
<b>Total Assets</b>	<b>163,410</b>	<b>224,528</b>
<b>Liabilities</b>		
Trade & other payables	22,432	20,911
Other current liabilities	3,112	2,569
Loans and Borrowings	8,454	0
Other non-current liabilities	5,185	7,168
<b>Total liabilities</b>	<b>39,183</b>	<b>30,648</b>
<b>Net Assets</b>	<b>124,227</b>	<b>193,880</b>
<b>Equity</b>		
Issued capital	136,043	208,938
Accumulated losses	(14,084)	(17,190)
Share-based payment reserve	2,268	2,132
<b>Total Equity</b>	<b>124,227</b>	<b>193,880</b>

## Strong balance sheet

- Institutional Placement raising \$75 million (before costs)
- Total debt available to the Company to \$95 million
  - Additional \$65 million debt facility with the Commonwealth Bank of Australia (CBA)
  - Builds on existing \$30 million CBA facility (outstanding balance fully paid down)

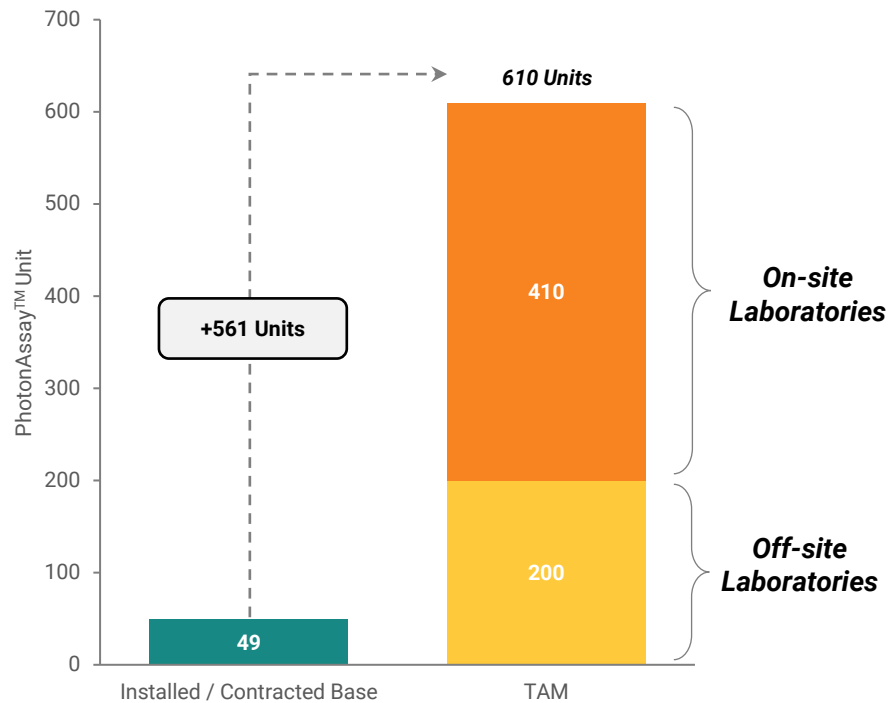


# Outlook

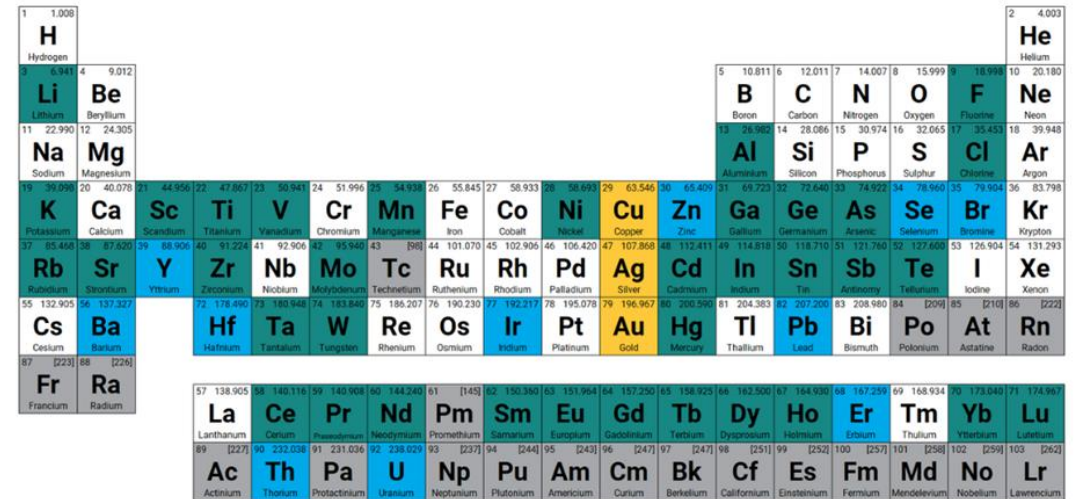
# Growth & expansion

Assay expenditure is a non-discretionary operating cost for miners

## TAM for PhotonAssay™ Units



## Growing applicability



Commercially Available    Near-term Development    Potentially Assayable    Elements Do Not Occur Naturally

### Current applicability

- Gold
- Silver
- Copper

### Further opportunities

- Concurrent moisture
- Solution analysis

### Broader potential

- Base metals
- Rare earths
- Energy metals

# Summary

## Chrysos PhotonAssay™ well positioned for sustainable growth

- Continued top-line growth in 1H FY24:
  - 72% YoY increase in PhotonAssay™ Revenue<sup>1</sup>
- 49 PhotonAssay™ units deployed or contractually-committed
- 27 units deployed, with 3 post-period
- FY24 Financial Guidance unchanged
  - Comfortably within guidance for FY24 EBITDA forecast range of \$7m to \$17m
  - FY24 Revenue tracking at the lower-end of forecast range of \$48m to \$58m
- Well-funded for sustainable growth with \$85m cash-on-hand and \$95m in undrawn debt



1. Growth YoY MMAP/AAC revenue

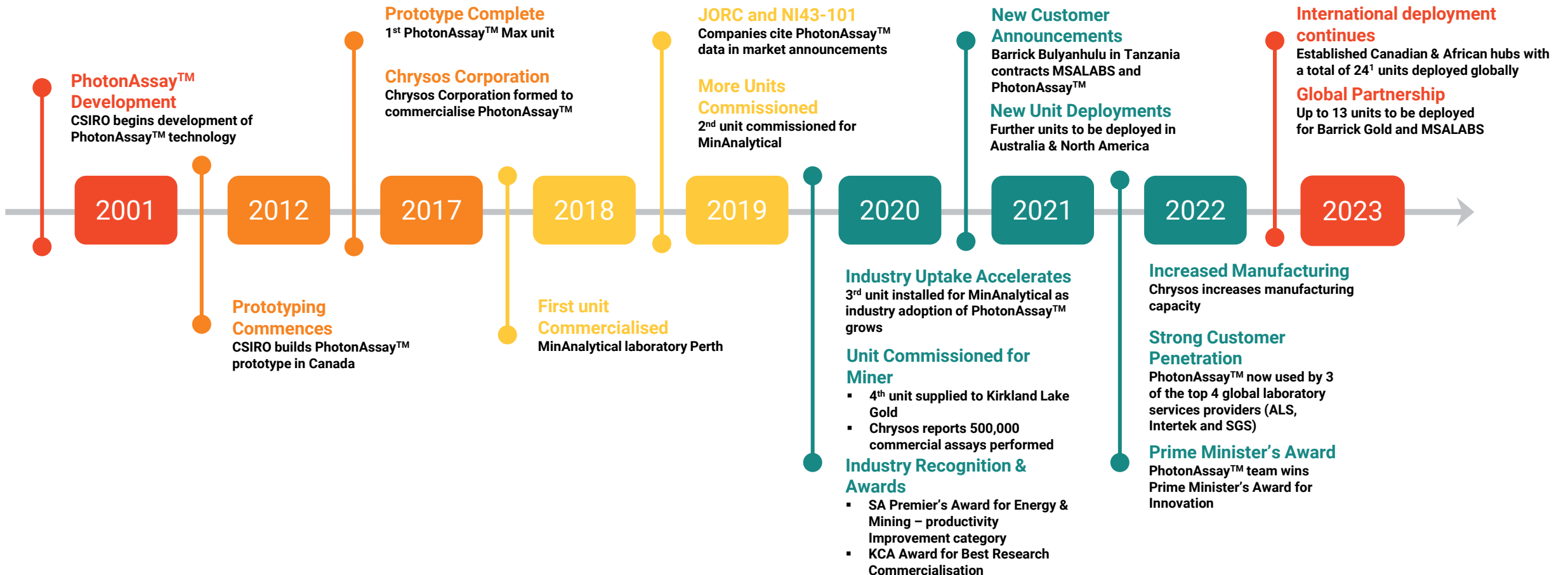


# About Chrysos



# Our commercialisation journey

The outcome of 20+ years of research and development



# The Chrysos Vision

To become the world's leading provider of innovative assay services and technologies



## Market Challenge:

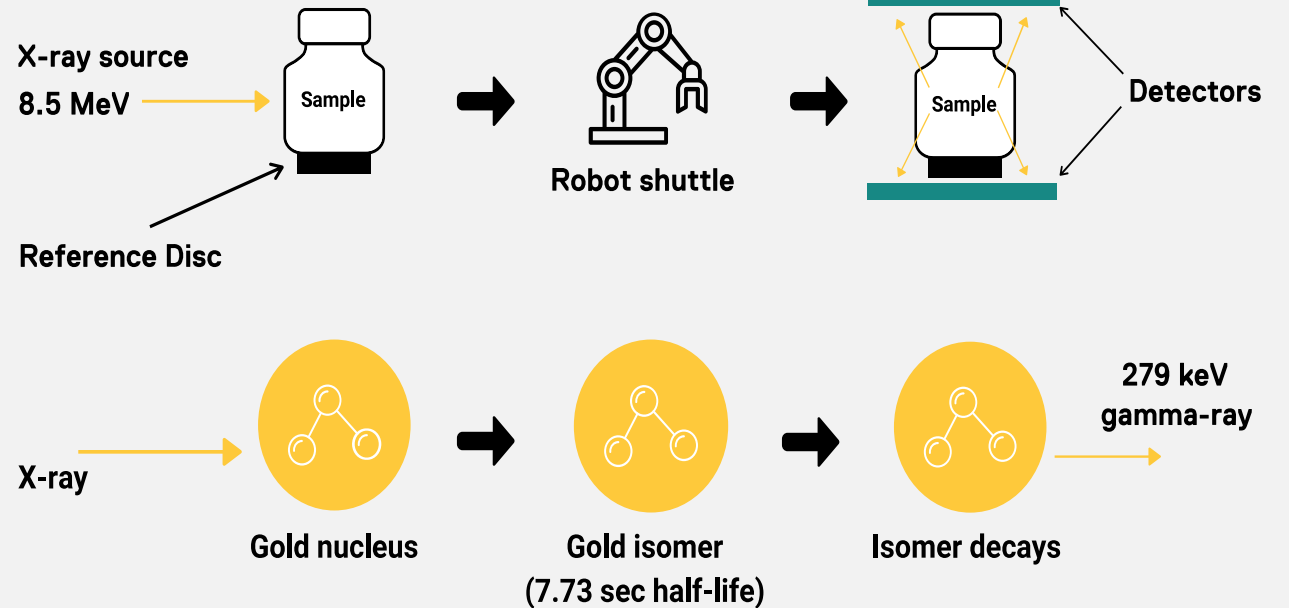
Traditional assay techniques are slow, labour intensive, complex, destructive to the assay sample, and involve dangerously high temperatures and toxic chemicals that are hazardous to both operators and the environment.



## The Solution: Chrysos PhotonAssay™

- ✓ Provides **faster and more accurate** assaying
- ✓ Allows **real-time delivery** of information to support agile decision making
- ✓ Rapid decision making helps to improve **operational efficiency, recovery and profitability**
- ✓ **Removes hazardous chemicals** from the assay process protecting operators and **reducing emissions**
- ✓ **Is non-destructive** allowing for repeat testing and comparative analysis
- ✓ The process is **largely automated**, reducing labour requirements and the chance of human error

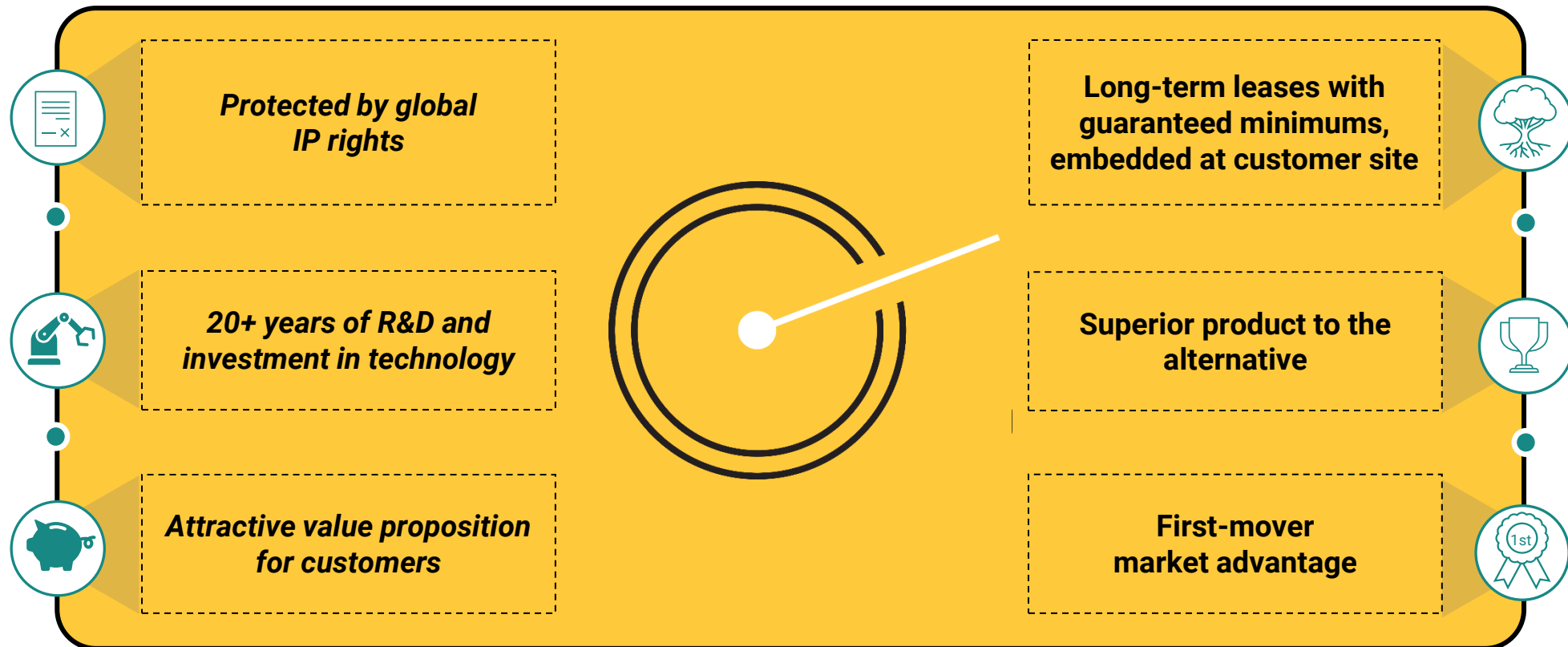
## Fully-quantitative analysis in as little as 2 minutes!



# High barriers to entry

High barriers to entry supported by global IP rights

## Barriers to competitive entry



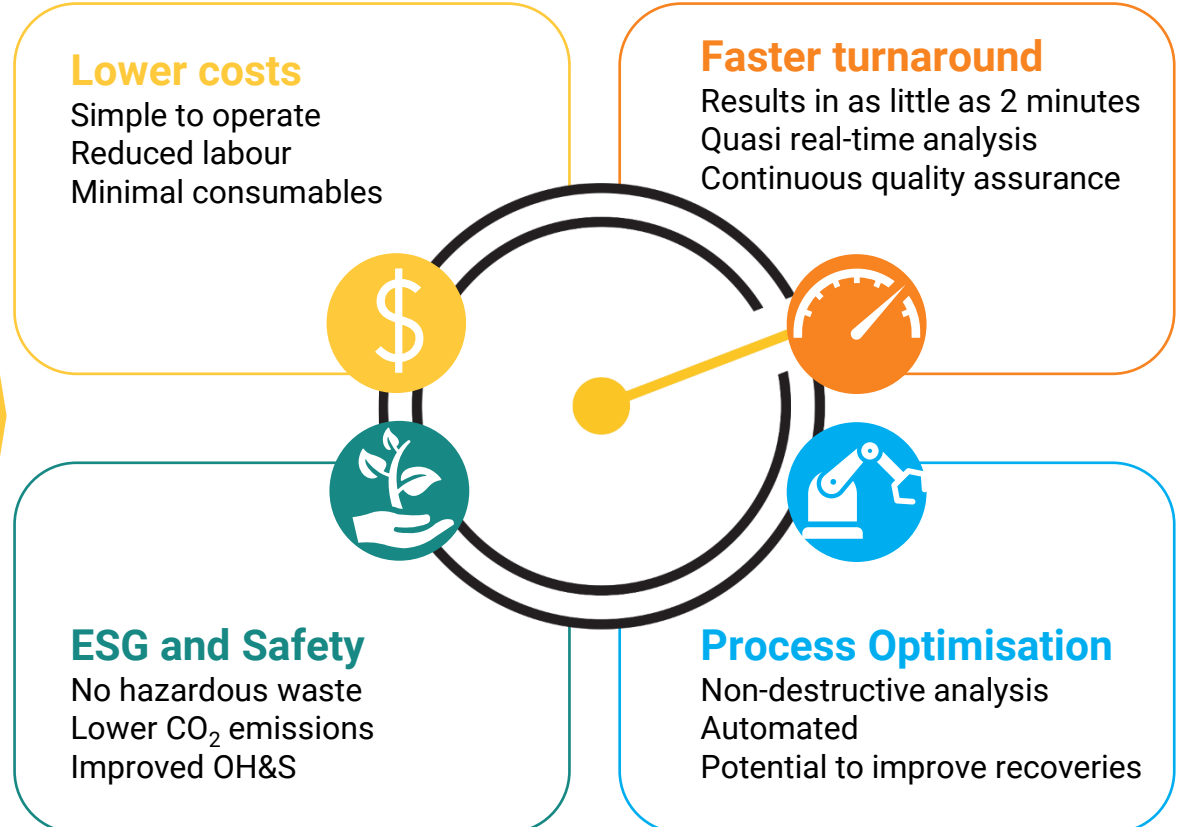
# PhotonAssay™ technology

Best in class gold assaying with measurable benefits over traditionally used methods

## PhotonAssay™ vs. Traditional Fire Assay<sup>1</sup>

	Fire Assay	PhotonAssay™
<b>Time per sample<sup>2</sup></b>	~3-4 hours	~2-3 minutes ✓
<b>Sample size</b>	10-50 grams	250-650 grams ✓
<b>CO<sub>2</sub> per sample</b>	0.91kg	0.455kg ✓
<b>Hazardous waste per sample</b>	0.31kg	0kg ✓
<b>Energy use per sample<sup>3</sup></b>	1.3kWh	0.65kWh ✓
<b>Automation</b>	✗	✓

## PhotonAssay™ value proposition



1. Comparison of PhotonAssay™ and fire assay per Frost & Sullivan industry report  
 2. Fire assay shown based on the minimum processing time. 24-hours is generally considered rapid turn-around time in practice.  
 3. Assumes same electricity source is used

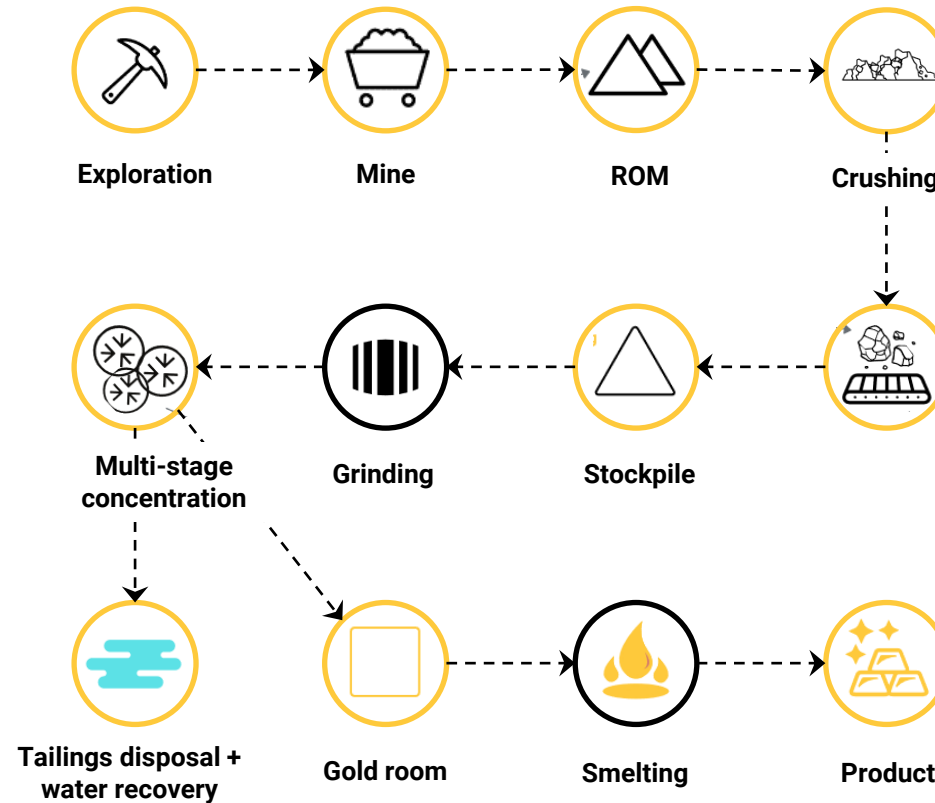
# Delivering tangible benefits for miners


PhotonAssay™ enables timely decision making and additional gold recovery

## The opportunity...

- Each year global miners are estimated to lose >\$2.0 billion worth of recoverable gold
- PhotonAssay™ provides miners with access to real-time data, helping to improve decision making through the value chain
- Enabling the optimisation of processes to generate potential productivity gains

## PhotonAssay™ is embedded in the mining value chain



 Denotes PhotonAssay™ value add

PhotonAssay™ Value Add	
Exploration	Fast turnaround for mine planning and scheduling
Mine	in-pit
ROM	Assay-supported blending between pit & processing
Crushing	
Stockpile	Stockpile sampling & optimised gold recovery
Multi-stage concentration	Reduction in process reagents & consumables
Tailings + Water recovery	Tailings grade monitoring
Gold room	All samples retained for QA/QC
Product	Buyer / seller assays

# An environmentally-friendly solution

Substantially better for the environment and significantly safer than fire assay

PhotonAssay™ has a substantial **positive environmental impact** that will continue to grow in tandem with the uptake of the technology

- ✓ PhotonAssay™ **reduces CO<sub>2</sub> emissions and eliminates lead-contaminated waste**
- ✓ Quantifiable benefit
  - 0.455kg of CO<sub>2</sub> reduced per sample (compared to fire assay)
  - 0.31kg of hazardous lead-contaminated waste reduced per sample (compared to fire assay)
- ✓ Improved OH&S through the **elimination of hazardous chemicals, lead exposure, and ultra-high temperatures** used in conventional fire assay
  - Fire assayers require routine blood tests to confirm acceptable levels of lead
  - Fire assayers are routinely rotated through other laboratory tasks to prevent a build-up of lead

## LIKE TO TREAD MORE LIGHTLY ON THE PLANET?

Every sample analysed with Chrysos PhotonAssay™ means reduced CO<sub>2</sub> emissions and less hazardous waste. To date, we have achieved:



4147 tonnes

Reduced CO<sub>2</sub> emissions



2794 tonnes

Hazardous waste reduction

Company calculations as of 2nd January 2024

# Experienced leadership team

Supported by a well-respected and tenured board

## Senior leadership team



**Dirk Treasure**  
Founding CEO & Managing Director

- Metallurgist with a background in both technical and commercial mining aspects spanning 15 years in the industry
- 7 years in novel metallurgical process development and commercialisation prior to becoming Chrysos' founding CEO



**Brett Coventry**  
Chief Financial Officer

- Experienced in taking high growth technology start-ups from inception through to maturity
- 20 years in various roles encompassing international expansion, capital raising and listing through IPO

## Board of Directors



**Rob Adamson**  
Founder & Chairman

- 20+ years' experience in mining and finance
- Executive Chairman of RFC Ambrian



**Brett Boynton**  
Founding Director

- Co-founder of AI data analytics business and founder of London listed gold exploration technology co.
- 20+ years' investment banking experience in London, New York, Sydney



**Ivan Mellado**  
Founding Director

- 20 years' experience in technology commercialisation and development ventures
- Business and Law qualifications; experienced executive and NED



**Kerry Gleeson**  
Director

- Experienced executive and non-executive director in mining and associated industries
- Qualified Australian and English Lawyer: M&A, debt & equity funding & commercialising technology



**Eric Ford**  
Director

- 40 years of strategic, management, commercial, operating and engineering experience in resources and energy

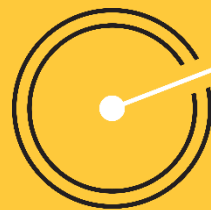


**Greg Holt**  
Director

- Senior executive with an international career spanning 40 years across logistics, industrial services, mining contracting and engineering industries

# Thank you

For more information, please visit [chrysosecorp.com](http://chrysosecorp.com)  
or contact us at [investors@chrysosecorp.com](mailto:investors@chrysosecorp.com)



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