

23 February 2023

Chrysos Corporation 1H FY23 Results

Chrysos Corporation Ltd (ASX:C79) (“Chrysos” or the “Group”) today announces its financial results for the six months ended 31 December 2022 (1H FY23), reflecting the Group’s continued strong financial and operational performance.

- 1H FY23 Total Unaudited Revenue of \$11.5m; 109% growth on 1H FY22 (\$5.5m)
- EBITDA of \$0.63m; +\$0.59m growth on 1H FY22 (\$0.04m)
- Strong cash balance of \$81.1m to support expanded unit manufacturing and future deployments
- Increased banking facilities to \$30m with Commonwealth Bank

Sales & Deployment Highlights

	As at 31 December 2022	Current ¹
Deployed units	14	15
PhotonAssay™ Lease Agreements	49	
Total Contract Value (TCV) ^{2,3}	\$714m	

Chrysos Managing Director and CEO Dirk Treasure commented: “We continue to see significant interest in our PhotonAssay technology from miners, explorers and laboratories across the globe. This market demand is driving an acceleration in our unit roll-out schedule, which sees Chrysos utilising four dedicated deployment teams across the globe simultaneously. We are further pleased with our improving unit economics and the cost efficiencies garnered through our strategy of clustering PhotonAssay units in key global mining hubs.

“Importantly, we are on track to reach our Prospectus forecasts of 21 units deployed, total revenue of \$26.6m and EBITDA of \$3.2m by the end of the current financial year. We also remain confident of our sustained growth through 2023 and beyond.”

“We are also pleased to confirm continuing support from the Commonwealth Bank, which has provided an increased facility of \$30m. CBA supported Chrysos when we had four units deployed with an initial \$7.5m facility and now, with 15 units deployed, have stepped this up to \$30m and indicated scope for future growth.”

Operational Highlights

- Four new PhotonAssay™ units installed globally in 1H FY23, with one unit deployed post-period
- Chrysos’ global deployment teams are currently delivering four installations simultaneously:
 - In Perth, Australia we are undertaking simultaneous installations for both SGS and Intertek
 - For MSALABS we are currently installing units in both East and West Canada
 - Chrysos is also working with MSALABS to redeploy the Morila facility unit to a new location within Mali
- 11 new contracts signed, deepening customer relationships while retaining deployment timing flexibility:
 - 10 new PhotonAssay™ lease agreements signed with existing customer Britannia Mining Solutions

¹ As at 23 February 2023

² TCV is calculated using foreign exchange rates of AUD:USD 0.73, AUD:CAD 0.94 and AUD:GBP 0.56. The USD and CAD rates are based on the average of the 3-month forward curve from Bloomberg in March 2022, per the Chrysos prospectus and GBP rates are based on the average of the 3-month forward curve from Bloomberg in May 2022.

³ TCV represents the future minimum contracted revenue on PhotonAssay leases (both deployed and committed) that are yet to be invoiced at a point in time, which are subject to the Company’s contractual performance obligations and where the Directors consider reasonable certainty exists, may include values associated with exercise of option periods.



- 1 new lease agreement signed with existing customer ALS for deployment in Canada, during the second half of 2023
- New contracts drove growth in TCV during the half year to \$714m, compared to \$229m in 1H FY22. TCV reflects contracted revenue netted off against income that converted to invoiced unaudited Revenue during the half.
- Average PhotonAssay™ unit Utilisation of 58%; on track for full year Prospectus expectation of 55%
- Chrysos CEO and CTO awarded the 2022 Prime Minister's Prize for Innovation in recognition of their role in the successful development and commercialisation of PhotonAssay™

Table 1: Key Financial Metrics

	1H FY22 Pro forma	1H FY23 Statutory
Total Unaudited Revenue	\$5.5m	\$11.5m
EBITDA	\$0.04m	\$0.63m
EBITDA Margin	0.7%	5.5%

Chrysos reported unaudited revenue of \$11.5m, reflecting growth of 109% on 1H FY22 (\$5.5m). Total revenue was comprised of Minimum Monthly Assay Payments (MMAP) of \$8.8m (1H FY22: \$4.3m) and Additional Assay Charges (AAC) of \$2.1m (1H FY22: \$1.2m), with the balance made up from other revenue. Additionally, Chrysos reported \$0.69m in interest income.

EBITDA was \$0.63m, representing strong growth on 1H FY22 (\$0.04m) and is in line with expectations given Chrysos' expanding global footprint during 1H FY23 and the timing of expected revenues from recently deployed and currently deploying units. Chrysos' EBITDA margin was 5.5%, which reflects the improved economics of its growing number of PhotonAssay™ deployments.

During 1H FY23 Chrysos invested \$14.3m on property plant and equipment and has increased its capital commitments to \$76.3m.

The Group was operating cashflow positive during the half year with \$3.8m in Net Operating Cash Flow, enabling reinvestment in growth, through the deployment of PhotonAssay™ units.

The Group's balance sheet remains strong, with cash at \$81.1m helping to sustain forecast growth through FY23 and beyond. In addition, Chrysos has today announced it has expanded its debt facility with the Commonwealth Bank of Australia to \$30m, to provide capital to support the funding of additional PhotonAssay™ units.

Outlook

Demand for Chrysos' PhotonAssay™ technology remains robust and its sales pipeline continues to grow. The Group's deployment schedule extends into 2025 and is underpinned by annuity-style revenue from contracts with strategic customers across key global mining regions.

Leveraging operations teams across Africa, Australia and North America, Chrysos is on track for 21 deployed units by the end of FY23. As the business continues to execute its unit clustering strategy, it expects unit costs for co-located deployments to decrease.

Chrysos remains on track to deliver on its Prospectus forecasts for FY23:

- Total Revenue of \$26.6m
- Pro forma EBITDA of \$3.2m
- Expansion of the deployed unit base to 21 units

The business is well-positioned for sustained growth through FY23 and beyond, with a strong cash balance and increased debt available.



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Investor Webcast

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

The links for pre-registration are available below:

Conference call: <https://s1.c-conf.com/diamondpass/10027871-s51d4a.html>

Webcast: <https://webcast.openbriefing.com/c79-hyr-230223/>

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 Group'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.chrysosecorp.com.

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