

30 August 2022

Chrysos FY22 Results

Chrysos outperforms Prospectus forecasts and sees momentum continuing into FY23

Chrysos Corporation Ltd (ASX:C79) (“Chrysos” or the “Group”) today announces its financial results for the year ended 30 June 2022, delivering strong performance across financial and operational metrics.

- FY22 Total Revenue of \$14.3m; 215% growth on FY21 (\$4.5m), 3.8% increase on Prospectus forecast
- Pro forma EBITDA of \$1.45m; +\$2.2m growth on FY21 (-\$0.7m), 57% increase on Prospectus forecast
- Average PhotonAssay™ unit Utilisation of 66% across deployed assets; an increase on 41.6% in FY21
- Operating cash flow positive, with cash balance of \$92m as at 30 June 2022

Sales & Deployment Highlights

	As at 30 June 2022	Current
Deployed units	10	11
PhotonAssay™ Lease Agreements	38	48
Total Contract Value (TCV)	\$558.5m	\$705m

Chrysos Managing Director and CEO Dirk Treasure commented: “Chrysos’ first full-year results as a listed company reflect the increasing adoption of our PhotonAssay technology by leading miners, exploration companies and analytical laboratories around the world. We have grown our Total Contract Value and revenue substantially with new and existing customers across three continents and our deployed units continue to deliver strong and sustained utilisation.

“Chrysos has the resources and financial capital to maintain an accelerated deployment of PhotonAssay units and fulfil our contracted pipeline of tier-one customers around the world. We are well positioned to deliver against our operational and financial targets for the 2023 financial year.”

Operational Highlights

- Sustained rise in per-unit economics, with minimum Return on Invested Capital (ROIC) increasing from 34% to 47% with the addition of 15 new agreements since IPO and correspondingly higher unit TCV
- Growth in global footprint of deployed units across four key markets: East Africa, West Africa, Australia and Canada
- Broadening of the Group’s customer base, including:
 - Expanding adoption by global miner Barrick Gold, with PhotonAssay™ to be deployed at Kibali Gold Mine in the DRC
 - Acquisition of Chrysos’ founding customer, MinAnalytical, by ALS Global has broadened use of PhotonAssay™ by major laboratory companies and presents global opportunities
 - Intertek has committed to expansion of its PhotonAssay™ offering into Africa, the first of the four major laboratories to offer Chrysos’ technology internationally
 - Expansion of deployment agreement with MSALABS to a total of 21 PhotonAssay™ units over the next two years
 - Signing of two new customers; Alfred H Knight and Britannia Mining Solutions, supporting further global growth
- Expansion of Chrysos’ deployment team to allow three simultaneous installations, currently installing in Perth for ALS, Queensland for Ravenswood Gold and Cote d’Ivoire for MSALABS
- Doubling of manufacturing and deployment capacity (within Chrysos, contractors and sub-contractors) to 12 PhotonAssay™ units per year
- Establishment of an internal technical services team to drive new applications for PhotonAssay™

For personal use only



Table 1: Key Financial Metrics

	FY22 Actual Statutory	FY22 Actual Pro forma	FY22 Prospectus Forecast Pro forma
Total Revenue	\$14.3m	\$13.7m	\$13.7m
EBITDA	\$2.16m	\$1.45m	\$0.93m
EBITDA Margin	15.1%	10.6%	6.8%

Comparing the results to the Prospectus forecasts, there were several non-cash items in the statutory accounts with a net favourable position. Both the statutory and pro forma results significantly outperformed the Prospectus EBITDA forecast due to lower per-unit costs and Group expenses.

Balance sheet and cash position both remain strong, with cash at \$92m, supporting the FY23 forecast into FY24. The Group is also progressing discussions with debt financiers to provide future funding.

Investment in Growth

By the end of the 2022 financial year, new PhotonAssay™ unit deployments expanded Chrysos' global footprint across four key deployment regions; East and West Africa, Canada and Australia. In each of these geographies, the Group established permanent staff, operating facilities and a robust support ecosystem to facilitate management, global tax and repatriation of profits. FY22 represented a year of substantial investment in developing the foundations of the business to support future deployments. This investment will continue into FY23.

The ROIC generated by PhotonAssay™ units is one of the key strengths of Chrysos' financial model. Each new unit deployed provides accretive revenue and EBITDA to the business and delivers sustained cashflow generation thereafter. The Group's overall business model sees every dollar of operating cashflow reinvested into growth via the deployment of PhotonAssay™ units. In FY23 Chrysos will expand its manufacturing capability (across Chrysos, contractors and sub-contractors) to support the manufacture and deployment of 18 units per year, a 50% increase on our FY22 capability.

Outlook

Chrysos has a unique customer value proposition, a scalable business model supported by annuity-style revenue and is well-funded to execute on its growth strategy. Moving into FY23, the business has a strong sales pipeline and continues to build momentum for the global uptake of its ground-breaking PhotonAssay™ technology.

Importantly, the Group is on track to deliver on its Prospectus forecasts for FY23, including:

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

With a growing asset base in key global mining regions and an effective strategy of 'unit clustering,' Chrysos is successfully decreasing unit costs for co-located units. Coupled with an increasing base revenue for new units, as shown by rising per-unit TCV figures, the business is well-positioned for sustained improvements in unit profitability through FY23 and beyond.

- ENDS -

For personal use only



Faster, more accurate gold analysis

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 AEST today.

The links for pre-registration are available below:

Conference call: <https://s1.c-conf.com/diamondpass/10023756-dh352s.html>

Webcast: <https://webcast.openbriefing.com/8980/>

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.chrysos.com.au.

For enquiries, please contact:

Catherine Strong	Citadel-MAGNUS	+61 406 759 268	cstrong@citadelmagnus.com
Maddie Seacombe	Citadel-MAGNUS	+61 402 999 291	mseacombe@citadelmagnus.com
Chrysos Investor Relations		+61 8 7078 4571	investors@chrysos.com.au

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

For personal use only