

15 April 2021

March 2021 Quarterly Trading Report

XRF Scientific Ltd ("XRF" or "The Company") provides an update on the March 2021 quarterly financial results (unaudited):

Quarter results for period ended 31 March

	March 2021 Quarter	March 2020 Quarter	Change %
Revenue	\$8.2m	\$6.9m	20%
Profit Before Tax	\$1.8m	\$1.0m	81%
Adjusted PBT*	\$1.7m	\$1.0m	71%

Year to Date (YTD) results for nine months ended 31 March

	March 2021 YTD	March 2020 YTD	Change %
Revenue	\$23.2m	\$22.6m	3%
Profit Before Tax	\$4.9m	\$3.3m	50%
Adjusted PBT*	\$4.1m	\$3.3m	25%

*Adjusted Profit Before Tax (PBT) is after adding back/deducting items related to COVID-19 such as government subsidies.

The March 2021 quarter was very positive, with all three divisions performing well and contributing to the result. The mining industry continues to be a key driver, as well as industrial markets in Europe and North America.

The systems we have put in place to protect against COVID-19 remain effective. Our international offices in Europe and Canada are able to service customers effectively, during a time of increasing demand.

Consumable product sales have been very strong, as mining customers ramp up sample testing for production and exploration. Sales were \$2.67m, which was a 32% increase on the December 2020 quarter.

Sales of capital equipment products have been robust, with high levels of demand occurring in Australia, Europe, and North America. Our order book for some products remains at around two months, with demand driven primarily by mining customers. We are also receiving a steady flow of orders from industrial customers.

Precious metals sales have been strong, receiving a benefit from new platinum labware being bundled with capital equipment products. We are also seeing a good level of platinum labware remanufacturing orders, as a result of increased sample testing by customers. Our Germany office continues to expand market share and was profitable for all of the March quarter. The office delivered revenue of \$955k during the March 2021 quarter compared to \$649k in the December 2020 quarter. We continue to receive positive acceptance of our platinum products into the large industrial markets being targeted in Europe.

Based on the current level of activity we expect the June 2021 quarter to generate a strong result. During this upcoming quarter we are continuing with expansion activities such as new product development, M&A opportunities and increasing our precious metals customer base in Europe.

Please direct any inquiries to:

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About XRF Scientific:

XRF Scientific Limited is an Australian listed company (ASX: XRF) based in Perth, Western Australia. XRF manufactures equipment and chemicals, which are distributed to production mines, construction material companies and commercial analytical laboratories, in Australia and overseas, and used in the preparation of samples for analysis.

XRF has manufacturing, sales and support facilities located in Perth, Melbourne, Europe and Canada, plus a global network of distributors. The Company has representation in the United States, South America, Africa, the Middle East and Asia and has a customer base that includes multinational blue-chip customers such as:- BHP Billiton, Rio Tinto, Vale, South 32, Glencore, Alcoa, Lafarge, Holcim, ArcelorMittal, CSIRO, Intertek, Bureau Veritas, SGS and ALS.

XRF's technology is used to measure the composition and purity of materials and is mainly applied in industrial quality control and in process control for manufacturing processes in industries such as metals and mining, construction materials, chemicals and petrochemicals.

XRF's products help customers to improve product quality and performance, increase productivity and yield and reduce downtime and waste. Its businesses have established positions in their specialised markets.

Read more about XRF Scientific at: <https://www.xrfscientific.com/general-overview/>