



8th March 2021

Resignation of Tim Griffiths & Business Update

Xref Limited (ASX: XF1) advises that co-founder Tim Griffiths has resigned as a director and employee of Xref with immediate effect.

Mr Griffiths agreed to resign at the request of the Board after they became aware in January 2021 of certain breaches by Mr Griffiths of his director's duties, and the company's governance and policy procedures.

In particular, in October 2019, Mr Griffiths arranged for the company to make a short-term loan to himself. The loan amount was \$135,000 and it was repaid by Mr Griffiths within one hour of the funds being transferred by Xref. The funds transfer was carried out by the company's CFO. This was done at the request of Mr Griffiths who had not obtained the required internal approvals.

The Board has conducted an investigation and obtained external legal advice. As a result of that process, the Board is confident there has been no financial impact on Xref (other than the costs incurred by the company in carrying out the investigation) and no future financial impacts are currently expected. The Board has, however, concluded that the short-term loan was made, and subsequently documented by Mr Griffiths and the company's CFO, in circumstances that constituted a breach of Xref's governance and policy procedures and may also have constituted a breach of law. As a result, the Board has made certain voluntary disclosures to the Australian Securities and Investments Commission and the New South Wales Police Force. It is not known to the Board whether either of those government agencies will conduct an investigation.

The company's CFO has been counselled and a sanction imposed in relation to the matters identified in the Board's investigation. The Board found the circumstances involved a disappointing lapse of judgement in an otherwise unblemished record of service with the company over the last 5 years. The Board remains supportive of its CFO as a valuable member of the Xref executive team. The Board has notified Xref's auditor of relevant matters. The auditor has carried out a review of the company's banking approval processes and refinements to those processes and approval limits have been implemented.

Mr Griffiths has agreed to place his Xref shares in escrow on customary terms until 31st March 2022.

Executive Director / CEO, Lee-Martin Seymour said: "We have zero tolerance of breaches in policy and procedure at Xref. Our standards, processes and decision making have all been tested as a result of these circumstances and have been shown to be robust and non discriminating.

I am confident our extraordinary team will minimise the operational impact of Tim's transition from the business. I continue to be excited about the future of Xref and am committed and focused on continuing to scale the business and make the most of having started 2021 in our strongest position to date.

Despite the outcome, Tim will always be defined by his energy, determination and at times over the last decade, personal sacrifice to help Xref grow and succeed. We continue our long friendship and will always remain the founders of Xref."

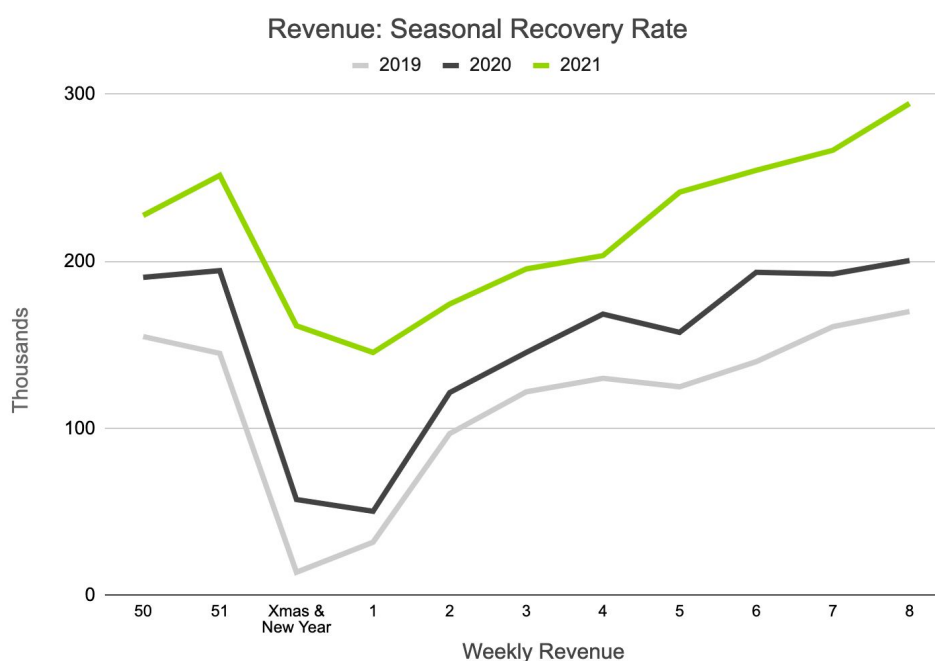
Chairman, Brad Rosser said: "First, I would like to thank my fellow Board members and advisors for the time and effort they put in very difficult circumstances once we became aware of the position. It was a difficult time, however, it is clear the decisions made are in the best interests of the company, employees and shareholders which are and always will be our main priority. I assure you the strategy and future of Xref is in strong hands and we have a clear understanding of our responsibilities and where we are heading as a business. Our start this calendar year has been our strongest yet.

These are unfortunate circumstances, but it is important to acknowledge and thank Tim for the enormous contribution he has made to Xref over many years. As a co-founder, he was integral to the establishment and development of the business which now boasts a world-leading technology platform built from the ground up. I wish Tim all the best in his future endeavours and look forward to hearing of the contributions he can make to the local and international technology community. Finally, Tim remains a major shareholder and strong supporter of Xref."

Business Update (January to February 2021)

- **Revenue** - \$1.8 million - up 30% on the prior corresponding period
- **Sales** - \$2.5 million - up 56% on the prior corresponding period
- **Cash Receipts from Sales** - \$2.1 million - up 36% on the prior corresponding period
- **Cash Expenses** - \$2.3 million - down 28% on the prior corresponding period

Xref's results for January and February 2021 provide a strong platform for further growth. Xref monitors hiring recovery rates and hiring trends to predict the resilience of the industry and forecast activity. Australian clients usually take six weeks to return to peak credit usage levels due to the impact of the Australia Day holiday at the end of January. However, by week five of 2021, credit usage had already achieved 96% recovery, representing a very promising start to the year in Australia. In the Northern Hemisphere, Christmas and New Year holidays are shorter and, over time, the Group expects its geographic expansion will result in less seasonality in overall usage.



Investor and media enquiries:

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Authorised by the Board: Xref Limited

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Key points about Xref	
First mover advantage	Xref provided the first automated solution for the candidate referencing process and it is capitalising on its first-mover advantage by focusing on and investing for international growth.
Business model	Under Xref's business model, when clients purchase credits (credit sales) to use the candidate referencing platform, the value of their purchases is recognised as unearned income. When they pay for the credits, the cash is recognised as cash receipts. Once the credits are used by the client (usage), Xref recognises the value of the credits used as revenue (recognised revenue).
Global addressable market	Xref's addressable market includes more than 180 million employees in North America, 120 million employees in Europe and 15 million employees in Australia and New Zealand.

Appendix 3Z

Final Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	Xref Limited (ASX Code: XF1)
ABN	34 122 404 666

We (the entity) give ASX the following information under listing rule 3.19A.3 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of director	Timothy David Griffiths
Date of last notice	3 December 2020
Date that director ceased to be director	5 March 2021

Part 1 – Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Number & class of securities
73,077 fully paid ordinary shares

Part 2 – Director's relevant interests in securities of which the director is not the registered holder

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest Note: Provide details of the circumstances giving rise to the relevant interest	Number & class of securities
Squirrel Holdings Australia Pty Ltd <Griffiths Family Trust>	30,857,613 fully paid ordinary shares

Part 3 – Director's interests in contracts

Detail of contract	None
Nature of interest	
Name of registered holder (if issued securities)	
No. and class of securities to which interest relates	

+ See chapter 19 for defined terms.