

Spectrolaser Sale Agreement

17 March 2011, Perth:

XRF Scientific is pleased to announce it has come to an agreement with Photon Machines, Inc, of Redmond, Washington, USA, to licence, and ultimately sell the Spectrolaser system, which has been developed by XRF's subsidiary Laser Analysis Technologies (LAT).

Photon Machines specialises in the development and commercialisation of laser-based instrumentation, and are highly regarded in this field – we consider their agreement to licence the product a significant endorsement of the technology developed by LAT, and that Photon is best placed to take the Spectrolaser to the next stage.

The essential terms of the agreement consist of a 20-year Licence to use the IP developed by LAT, some of which is patented, with a sliding scale of royalty payments based upon sales of Spectrolasers.

Additionally, a sale agreement is in place whereby a price of US\$400,000 is agreed, payable by way of royalties, with a minimum royalty payment of US\$200,000 within 30 months.

Steve Buckley, President of Photon Machines said “The Spectrolaser is a great compliment to our family of LIBS and laser ablation products. It fills an important marketplace need and will find a home where rapid multi-elemental measurements are required”. (“LIBS” is Laser Induced Breakdown Spectroscopy, the underlying technology utilised in the Spectrolaser).

These agreements allow XRF Scientific to recover its investment in the development of the Spectrolaser, and participate in its' commercialisation, without having to devote further financial, technical or management resources.

Please direct any inquires to:

Terry Sweet
Managing Director
terry.sweet@xrfscientific.com

Vance Stazonelli
Chief Financial Officer
vance.stazonelli@xrfscientific.com

About XRF Scientific

XRF Scientific Limited is an Australian listed company (ASX: XRF) based in Perth, Western Australia.

It has manufacturing, sales and support facilities located in Perth and Melbourne plus a global network and official distributors. It has representation in the United States, South America, Canada, Europe, Africa, the Middle East and Asia.

XRF Scientifics' 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 Scientific Limited improves productivity for customers through precision instrumentation as well as through systems and supplies.

Its focus is on providing niche applications that have a direct impact on process performance for end user customers.

XRF Scientific 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.

Our businesses work with multinational blue-chip customers such as:-

BHP Billiton, Rio Tinto, Iluka, Xstrata, Nickel West, Robe River Iron Associates, Alcoa, CSIRO, Intertek, PT Inco, Pilbara Iron, Amdel/Ultratrace, SGS, Campbell Brothers.