

## Lycopodium Returns Solid Half-Year Result

\$ million	1H FY2020	1H FY2019	% Change
Revenue	110.3	73.0	51.1
EBITDA	16.4	13.5	21.5
NPAT	8.9	8.6	4.8
Earnings Per Share	22.6	21.6	4.6
Dividends	15.0 cents	15.0 cents	-

**PERTH, 26 February 2020 – Lycopodium Limited** (“Lycopodium” or the “Company”) has delivered a positive result for the first half of FY2020, with strong revenue reflecting the ongoing delivery of a number of significant projects. This includes the engineering, procurement and construction (EPC) contract for Perseus’ Yaouré Project in Côte d’Ivoire and the engineering, procurement and construction management (EPCM) services contract for West African Resources’ Sanbrado Project in Burkina Faso.

For the six-months ended 31 December 2019 (“1H FY2020”), the Company generated revenue of \$110.3 million, representing an increase of 51% on the 1H FY2019 result, and net profit after tax of \$8.9 million, slightly higher than the same period in FY2019.

It is expected the second half of the year will be softer, due to the timing of new projects commencing and anticipated delays impacting revenue. On this basis, the Company provides guidance for the full year of approximately \$220 million in revenue and NPAT of \$14.1 million. The Coronavirus is noted as a developing issue beyond the Company’s control, with any potential impact not taken into consideration in the full year guidance.

The company Directors have approved a fully franked interim dividend of 15 cents per share, payable on 9 April 2020.

Lycopodium’s Managing Director, Peter De Leo, said: “We are continuing to deliver solid financial performance and return for our shareholders, working on a number of sizeable projects around the world. The delivery of Perseus’ Yaouré Project, our largest EPC contract to date, and the award of Rio Tinto’s Western Turner Syncline Phase 2 project, Mondium’s first major project award, both present the opportunity to showcase broad, multidisciplinary capability.”

“Given the scale of projects in delivery over the past few months, across disparate and often challenging locations, the Company’s exemplary safety performance is a credit to our people and reflective of their absolute commitment to achieving a safe working environment.”

Lycopodium’s Total Recordable Injury Frequency Rate (TRIFR) over the rolling 12 months to January 2020 is just 1.03, significantly less than the construction industry average of 7.5 (Safe Work Australia, *Australian Workers’ Compensation Statistics, 2017-18*; note, the industry statistic excludes LTIs less than one week, ADIs and MTIs).

The recent award of several projects and studies will support revenue growth moving into FY2021, as new projects ramp up later this year. This includes delivery of the Optimised Feasibility Study (OFS) and commencement of front-end engineering design (FEED) for Sandfire Resources’ new Motheo Copper Project

Processing Plant in Botswana, and the award of the EP contract for IAMGOLD Corporation's Boto Gold Project in Senegal.

Mondium Pty Ltd, Lycopodium's incorporated joint venture with Monadelphous which provides engineering, procurement and construction (EPC) services to the minerals processing sector, has been awarded a major contract by Rio Tinto, valued at approximately \$400 million, for the design and construction of the Western Turner Syncline Phase 2 (WTS2) mineral processing facilities and associated infrastructure to be built in the Pilbara region of Western Australia. Work on this significant project has commenced, and is expected to be completed during 2021.

The Company's Infrastructure business is delivering a number of material briefs, including the provision of condition surveys and design services for the Australian Rail Track Corporation (ARTC) and the Country Regional Network (CRN), and rail inspection services for various clients including Pacific National, BHPB and Southern Ports Authority.

The Company's Industrial Processes business continues to leverage its expertise in the delivery of projects and engineering services in the areas of specialty chemicals, pharmaceutical and heat/mass transfer. This includes the successful delivery of the Geo40 Silica Extraction Plant in New Zealand which was completed in December.

Tendering activity remains strong, with projects and studies being targeted across the Company's operating sectors, including leveraging established relationships to secure ongoing works with key clients.

"We have a strong pipeline of key identified prospects that enable us to leverage our diversified offering across a broad range of projects and geographies," said Mr De Leo.

#### **For further information**

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#### **About Lycopodium Limited**

Lycopodium is a leader in its field, working with clients to provide integrated engineering, construction and asset management solutions. We have the expertise to deliver complex, multidisciplinary projects, through to the provision of feasibility studies and advisory services.

Operating across the Resources, Process Industries and Infrastructure sectors, we offer a diverse team of industry experts to deliver bespoke and innovative solutions across all commodity types.

With the capability to deliver projects around the world, we have offices in Australia, South Africa, Canada and the Philippines.

For more, visit [www.lycopodium.com](http://www.lycopodium.com)