

Lycopodium Limited Full-Year Results FY2021

A\$'000	FY2021	FY2020	Change
Revenue	162.2	211.1	▼
EBITDA	26.5	27.1	▼
NPAT	14.2	11.8	▲
Earnings Per Share	35.7	29.7	▲
Cash	76.8	102.9	▼

PERTH, 25 August 2021

Lycopodium Limited ("Lycopodium" or the "Company") has generated revenue of \$162.2 million and a net profit after tax (NPAT) of \$14.2 million for the financial year ended 30 June 2021 (FY2021).

The company Directors have approved a fully franked final dividend of 15 cents per share, payable on 8 October 2021, bringing the full year dividend to 25 cents per share.

As the pandemic continued to take hold during FY2021, focused remained on the ongoing delivery of work in hand, in addition to securing a number of new project awards.

Lycopodium's Managing Director, Peter De Leo, said: "In spite of the disruptions and uncertainties of the past year, we have continued to win work with existing and new clients across our core operating sectors. In the past 12 months we have worked with most major commodities for projects spread across the globe, predominantly in Africa, Australia, Southeast Asia and North and Central America."

The completion of Perseus' Yaouré Gold Mine in Côte d'Ivoire, delivered ahead of schedule and under budget despite the pandemic, was a significant achievement. Full-scale construction commenced in the September quarter of 2019, with COVID-19 manifesting globally only a few months later. Despite this, construction continued throughout 2020 and the stretch target of first gold in December 2020 was achieved.

The Company's studies pipeline has remained strong and continues to deliver subsequent Front End Engineering and Design (FEED), Engineering and Procurement (EP), Engineering, Procurement and Construction Management (EPCM) and Engineering, Procurement and Construction (EPC) scope.

During FY2021 the Company was awarded a number of significant EPCM contracts, fortifying revenue moving forward into FY2022. This includes for the Motheo Copper Project in Botswana (Sandfire); Bomboré Gold Project in Burkina Faso (Orezone); Ahafo North Gold Project in Ghana (Newmont); Talison Lithium MSA Project in Western Australia (Talison); and the design, supply and project delivery for the Séguéla Gold Project in Côte d'Ivoire (Roxgold, now Fortuna Silver Mines).

Delivery was also ongoing across numerous EP and FEED scopes, including for the Boto Gold Project in Senegal (IAMGOLD); Navachab Gold Project in Namibia (QKR); Cobre Copper Project in Panama (First Quantum); Sukari Gold Project in Egypt (Centamin); Sabodala Gold Project in Senegal (Teranga, now Endeavour); Los Filos Gold Project in Mexico (Equinox); Talison Lithium CGP3 Project in Western Australia (Talison); and the Batu Hijau Copper/Gold Project in Indonesia (PT Amman).

Throughout the year, Mondium, Lycopodium's incorporated joint venture with Monadelphous, continued delivery of the EPC scope for Rio Tinto's Western Turner Syncline Phase 2 iron ore project in the Pilbara region of Western Australia, with completion of this significant project later this year, and the EPC contract for Talison Lithium's Tailings Retreatment Project, a critical element in the expansion of its Greenbushes operation in the south-west of Western Australia.

The Company's Infrastructure business continued to work with some of Australia's largest rail operators, in both passenger and freight rail systems, providing design, engineering, technical advisory and rail infrastructure management (RIM) services to various clients, including Pacific National, Crawford Freightlines, New South Wales' Country Regional Network (CRN) and the Australian Rail Track Corporation's (ARTC) Inland Rail initiative.

In Industrial Processes, the Company provided specialist services to Boeing in their aerospace component manufacturing facilities, Kawasaki in Hydrogen related facilities, Commonwealth Serum Laboratories for plasma and blood products as well as base vaccine component production facilities, Thales in defence and munitions, Lamb Weston in food and beverage production, and Energy Australia in the replacement of its gaseous ammonia facility to an aqueous ammonia facility.

"Our strategy at the onset of the pandemic was to focus on our established relationships to secure ongoing work with key clients. This strategy has served us well over the past 18 months, and we will continue to cultivate existing and new relationships with selected clients on the basis of establishing long-term, trusted partnerships," said Mr De Leo.

Maintaining its strong safety performance, during FY2021 there were 1.9 million manhours worked across the Company's managed projects, with a zero Lost Time Injury Frequency Rate (LTIFR) achieved against a 7.6 Australian construction industry average (Safe Work Australia, *Key Work Health and Safety Statistics, Australia 2020*).

"The past twelve months has seen us demonstrate the strength of our global nature, collaborating across offices and continuing to safely deliver projects around the world, even with the closure of international borders. This is a testament to the hard work, resilience and commitment of all of our people," said Mr De Leo.

Outlook

As the global economy continues to rebound from the impact of the pandemic, the Resources sector is showing positive signs of recovery across a range of commodities. In particular, demand for iron ore and gold remains strong, supporting new development and sustaining capital opportunities going forward.

Surging demand for resources used in new and low emission technologies is driving the development of copper, nickel cobalt, graphite, vanadium and lithium assets.

Working with long-term partners in RIM and infrastructure related asset management will provide opportunity to continue to grow recurring revenue streams within the Infrastructure sector.

With a shift to a domestic manufacturing focus in response to the pandemic, new opportunities in the Industrial Processes sector have emerged, including for base vaccine component production facilities.

Opportunities in emerging markets, including waste and recycling, water and wastewater and hydrogen continue to grow.

For further information

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About Lycopodium Limited (ASX: LYL)

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, Infrastructure and Industrial Processes 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, Ghana and the Philippines.

For more, visit www.lycopodium.com