



Lycopodium

Bell Potter **Unearthed**

Natural Resources Conference
6 February 2023

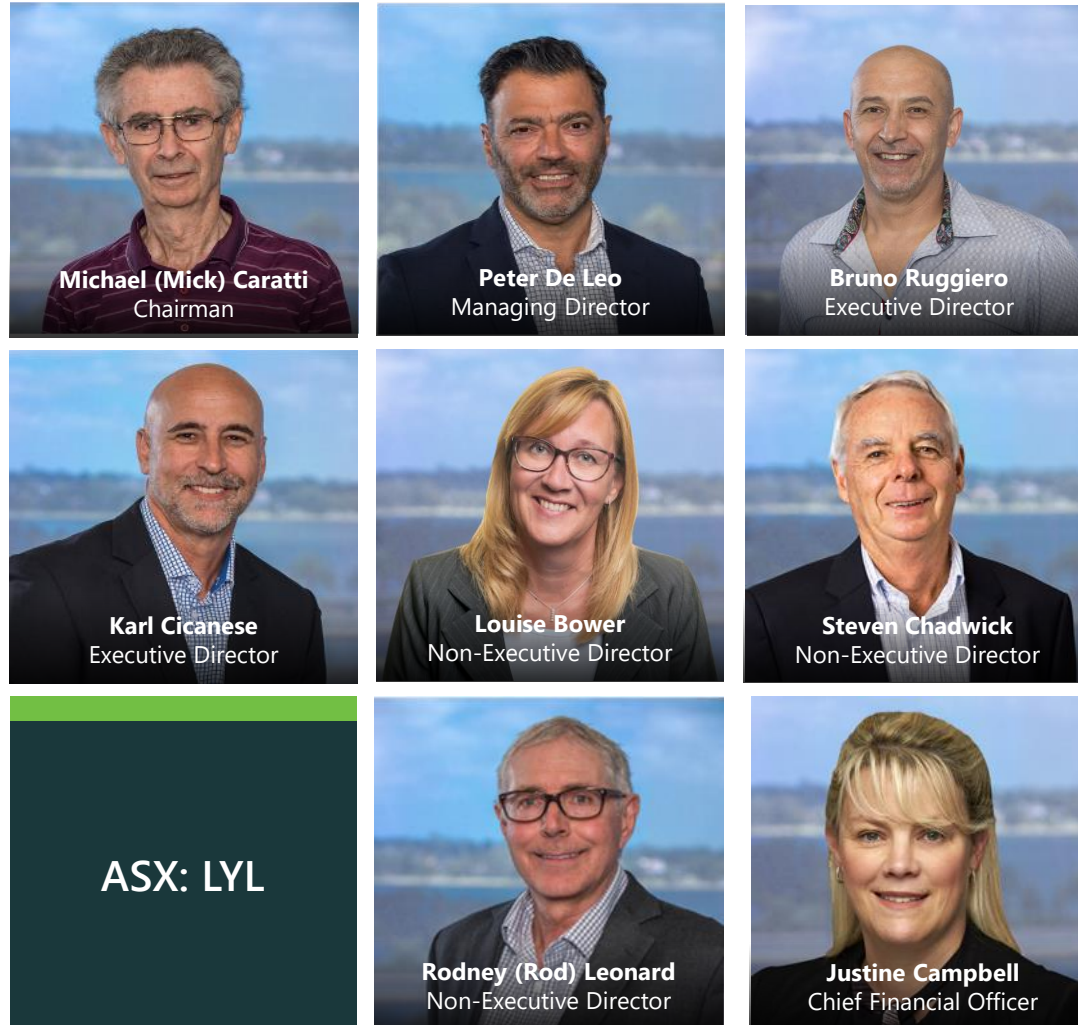


Lycopodium is an innovative and value-driven process, engineering and project delivery organisation.

The Company is headquartered in Perth, Western Australia and is listed on the Australian Stock Exchange (ASX: LYL).

Working across the Resources, Infrastructure and Industrial Processes sectors, we have over 1,000 staff globally, with the value of capital projects currently in delivery in the order of A\$3.9 billion.

Corporate Overview



Share Price (as at 3.2.23) \$7.08	Shares on Issue 39.7m
Earnings per Share FY2022 68.4 cents	Total Dividend per Share FY2022 54 cents
Market Capitalisation ~\$281m	Shareholder Breakdown Board & Management 37% Institutions 26% Retail 37%

Core Capabilities

Sectors



Services



Resources

Infrastructure

Industrial Processes

- Gold and Precious Metals
- Base Metals
- Battery Metals
- Specialty Metals
- Diamonds and Gemstones
- Bulk Minerals
 - Iron Ore
 - Minerals Sands
 - Bauxite

- Railways
- Roads
- Non-Process Resource Infrastructure
- Asset Management

- Pharmaceuticals
- Biotechnology
- Chemical and Energy
- Food and Beverage
- Manufacturing
- Research and Development
- Renewables

- Feasibility Studies
- Process Development and Optimisation
- Engineering and Design
- Project Management and Delivery
- Project Services
- Construction Management
- Commissioning and Operations Support
- Asset Management

Highlights

FY2022



FY2022 Financial Highlights

Revenue	EBITDA	Profit Before Tax
\$232.2m	\$45.4m	\$38.9m
NPAT	Cash at Bank ¹	Return on Equity
\$27.2m	\$100.9m	29.0%

- With a number of significant projects progressing to the on-site delivery phase and new work won during FY2022, the Company achieved a strong financial result for the year
- Revenue up 43% on FY2021 result
- Record Net Profit After Tax (NPAT)

¹ As at 30 June 2022

FY2022 Balance Sheet

	FY2022	FY2021
	A\$'000	A\$'000
Current Assets	173.9	128.7
Total Assets	218.9	164.1
Total Liabilities	119.2	76.4
Equity	99.7	87.7

- Strong Balance Sheet provides capacity for investment
- Minimal debt
- Net Tangible Assets per Share – \$2.34

Highlights

Current



Current Operational Highlights – Resources

- Bomboré (Burkina Faso) – construction and commissioning completed, with first gold pour in September 2022 and work now commenced on the Expansion Study
- Motheo (Botswana) – construction progressing well, with project completion anticipated end of Q1 2023; also commenced detailed engineering design works for the 5.2 Mtpa Motheo Expansion Project
- Navachab (Namibia) – construction and commissioning completed December 2022
- Séguéla (Côte d'Ivoire) – works on track for first gold pour mid-2023
- Ahafo North (Ghana) – onsite works commenced Q4 2022
- Works continuing to schedule on a number of ongoing projects – Talison MSA and CGP3 (Western Australia) and Batu Hijau (Indonesia)
- A number of new projects recently launched – Kiaka (Burkina Faso), Kathleen Valley (Western Australia), Goulamina (Mali), Sabodala-Massawa (Senegal), Lafigué (Côte d'Ivoire)
- Strong pipeline of studies

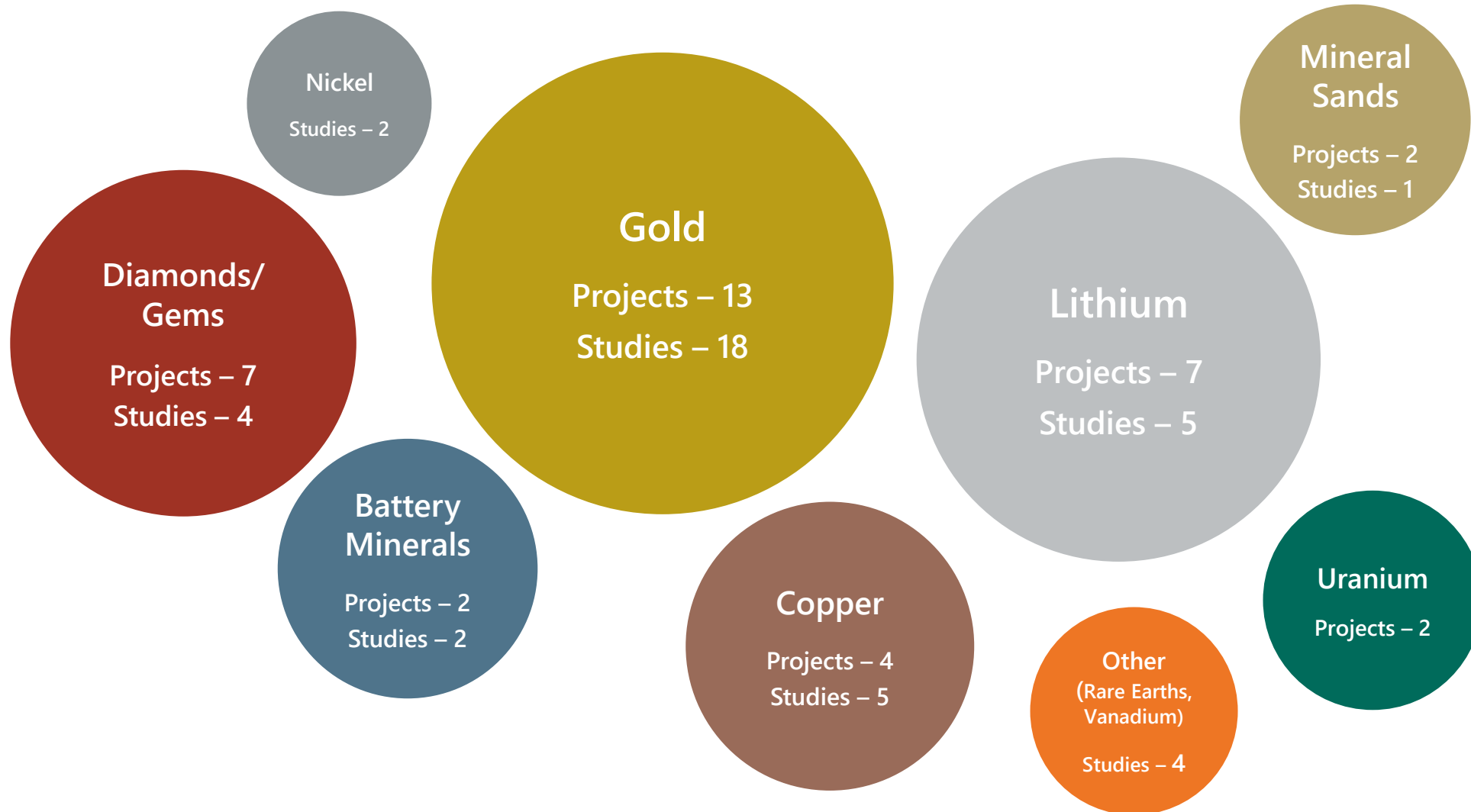


ADP in South Africa:

- Dry Mining Unit (Senegal) – first unit commissioned on site at the Grande Côte mineral sands operation during Q3 2022; client feedback very positive
- Langer Heinrich Upgrade (Namibia) – works progressing to schedule
- Continuing to lead the delivery of specialised and bespoke modular plant into the southern African diamond market
- Strategic digital twinning and advanced process optimisation work with De Beers ongoing



Resources – Projects and Studies Currently in Delivery



Current Operational Highlights – Infrastructure

- Managing the upgrade of the Malabar Loop project in the Hunter Valley
- Continuing to provide design, engineering, technical advisory and Rail Infrastructure Management (RIM) services for greenfield and brownfield rail projects
- Supporting Australia's major passenger and freight rail system operators, including the Australian Rail Track Corporation (ARTC), New South Wales' Country Regional Network (CRN), Pacific National and Aurizon
- Award of the ARTC's Southern Highlands Overtaking Opportunities Detailed Design package, to improve the efficiency of freight and passenger services between Sydney and Melbourne
- Shortlisted as one of two for the Melbourne Airport AAP corridor works package and now undertaking preliminary engineering design
- Providing tender design services for Albury to Parkes and Illabo to Stockinbingal Inland Rail packages



- Increased opportunities in domestic manufacturing
- Providing design consultancy services to Commonwealth Serum Laboratories (CSL) for the development of base vaccine component production and plasma and blood facilities, including detailed engineering scope for CSL's world-class influenza vaccine manufacturing facility being built in Melbourne
- Long-standing partnership with Australia's Nuclear Science and Technology Organisation (ANSTO), providing ongoing services for the Australian Synchrotron – most recently awarded site construction and safety management services for the ADS/MX3 Beamline Shielding Enclosures
- Providing accelerated FEED and design consultancy services for Pilbara Minerals' Mid-Stream Project



We continue to prioritise safety across our business and strive for continuous improvement

With over 1,000 people directly employed, including contractors we manage some 2,500 people working on projects across the globe

	FY2022	Current (rolling 12 months to December 2022)	Target
Hours	3.2 million¹	5.1 million	
LTIFR	0.3 ²	0.2 ²	0.0
TRIFR	1.6	2.2	≤2.8
EIFR	0.0	0.0	≤1.8

¹ Compared to 1.9 million manhours controlled in FY2021

² Against Construction Industry frequency rate of 8.8 (Safe Work Australia, *Key WHS Statistics Australia 2022*)



Pre-start at Motheo Copper Project, Botswana

- With a number of significant projects mobilising to site over the past 12 months, our manhours controlled have commensurately increased
- Safety management is focused on preventative measures – lead indicators rather than lag indicators
- Initiatives to support safe practices across our managed sites include a ‘Back to Basics’ campaign, reinforcing that all incidents are preventable if risk is understood and proactively managed

People

A number of initiatives being implemented during FY2023:

- Introduction of a Global HR Information System (HRIS) to facilitate workplace efficiencies
- A new global Performance & Engagement platform to support a culture of continual performance feedback and engagement
- Inaugural Emerging Leaders Program (launched May 2022), focused on the development of the middle management levels within the business and therefore a key component of our succession planning strategy

Knowledge Management

Significant investment continues to be made in our network and systems:

- Updates to our project collaboration software, ProjectWise, to support improved functionality
- Upgraded to Office 365, including the introduction of Teams and SharePoint, both very important tools for promoting collaboration across our global operations
- Researching and analysing options for a new enterprise resource planning (ERP) system that will support our Finance and Project Controls functions

Dry Mining Unit

An innovative operating cost saving asset in the mineral sands environment – first unit commissioned on site in Q3 2022 at the Grande Côte mineral sands operation in Senegal



Digital Twin

Engineering the plant as a static digital twin supplemented by virtual reality technology, which then becomes the primary interface for operations and plant maintenance, and also facilitates extensive options analysis and scenario planning during the project study phases



Orway IQ – MillROC

Online platform providing cloud-based, customised data analysis and dashboards for optimisation of mineral processing plants

The Yaouré Gold Mine in Côte d'Ivoire was the first project to be purpose-built 'MillROC ready'

Future Battery Industries Cooperative Research Centre

Key participant in the FBICRC, supporting the development of capability to capture the significant opportunities associated with the energy transition for Australia from the growing global battery industry



CSIRO

Working with the CSIRO to consider options and areas of research that could lead to a material reduction in the carbon footprint of the High Pressure Acid Leaching (HPAL) process for nickel laterite processing



Renewable Energy

Participating in a range of battery storage research projects, including at the Fekola Gold Mine in Mali and the Sukari Gold Mine in Egypt

Delivered a DFS for Lithium Australia for the production of lithium ferro phosphate battery pre-cursor material

Participating in hydrogen projects, including the Hydrogen Energy Supply Chain (HESC) project at the Port of Hastings in Victoria

Our Community

We support the communities in which we live and work, via the Lycopodium Foundation:

- Long-term partnerships with the Murlpirrmarra Connection and the Clontarf Foundation in Australia, with both organisations supporting the education, self-esteem, life skills and employment prospects of young Aboriginal and Torres Strait Islander people
- In Africa, we have worked with BASICS International, an NGO in Ghana committed to protecting the basic human rights of children to education, shelter, food and safety, for many years, and have provided support to The Pearl Safe Haven, an NGO also based in Ghana, which operates an emergency shelter for women and children
- We continue to support various charitable initiatives championed by our staff, including Jeans for Genes, for which we have raised more than \$380,000 since our partnership began back in the 1990's, and the St Vincent de Paul Society



Major Projects

FY2023



Bomboré Gold Project

Sector	Resources
Client	Orezone
Location	Burkina Faso
Commodity	Gold
Scope	Engineering, Procurement and Construction Management (EPCM) services
Processing Capacity	5.2 Mtpa



Séguéla Gold Project

Sector	Resources
Client	Fortuna Silver Mines Inc
Location	Côte d'Ivoire
Commodity	Gold
Scope	Design, supply and project delivery services
Processing Capacity	1.25 Mtpa



Cobré Ball Mill 6 Project

Sector	Resources
Client	Minera Panama SA
Location	Panama
Commodity	Copper, Gold
Scope	Engineering Design, Procurement Support (Ep) and construction/commissioning support services
Processing Capacity	100 Mtpa



Motheo Copper Project

Sector	Resources
Client	Sandfire Resources Ltd
Location	Botswana
Commodity	Copper, Silver
Scope	Engineering, Procurement and Construction Management (EPCM) services
Processing Capacity	3.2 Mtpa



Chemical Grade Processing Plant #3 (CGP3)

Sector	Resources
Client	Talison Lithium
Location	Greenbushes, Western Australia
Commodity	Lithium
Scope	Engineering, Procurement and Construction Management (EPCM) services
Processing Capacity	2.4 Mtpa



Mine Services Area Relocation

Sector	Resources
Client	Talison Lithium
Location	Greenbushes, Western Australia
Commodity	Lithium
Scope	Engineering, Procurement and Construction Management (EPCM) services



Langer Heinrich Upgrade

Sector	Resources
Client	Paladin Energy
Location	Namibia
Commodity	Uranium
Scope	Engineering, Procurement and Construction Management (EPCM) services
Processing Capacity	5.5 Mtpa



Batu Hijau Plant Expansion

Sector	Resources
Client	PT Amman Mineral Nusa Tenggara
Location	Indonesia
Commodity	Copper, Gold
Scope	Engineering services
Processing Capacity	60 Mtpa



Navachab Gold Mine Expansion

Sector	Resources
Client	QKR Namibia Navachab Gold Mine Pty Ltd
Location	Namibia
Commodity	Gold
Scope	Engineering, Procurement and Construction Management (EPCM) services
Processing Capacity	2.5 Mtpa



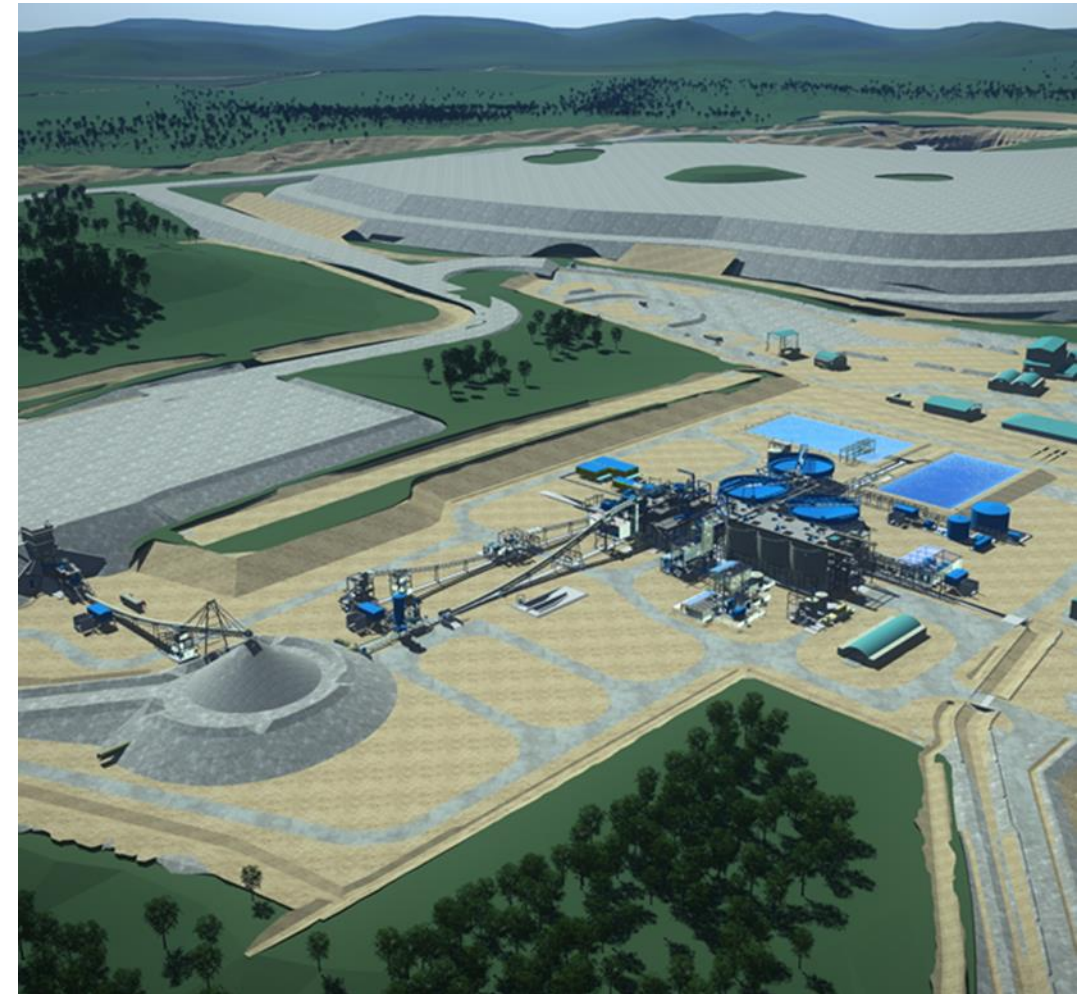
Kathleen Valley Lithium Project

Sector	Resources
Client	Liontown Resources
Location	Western Australia
Commodity	Lithium
Scope	Engineering, Procurement and Construction Management (EPCM) services
Processing Capacity	2.5 Mtpa



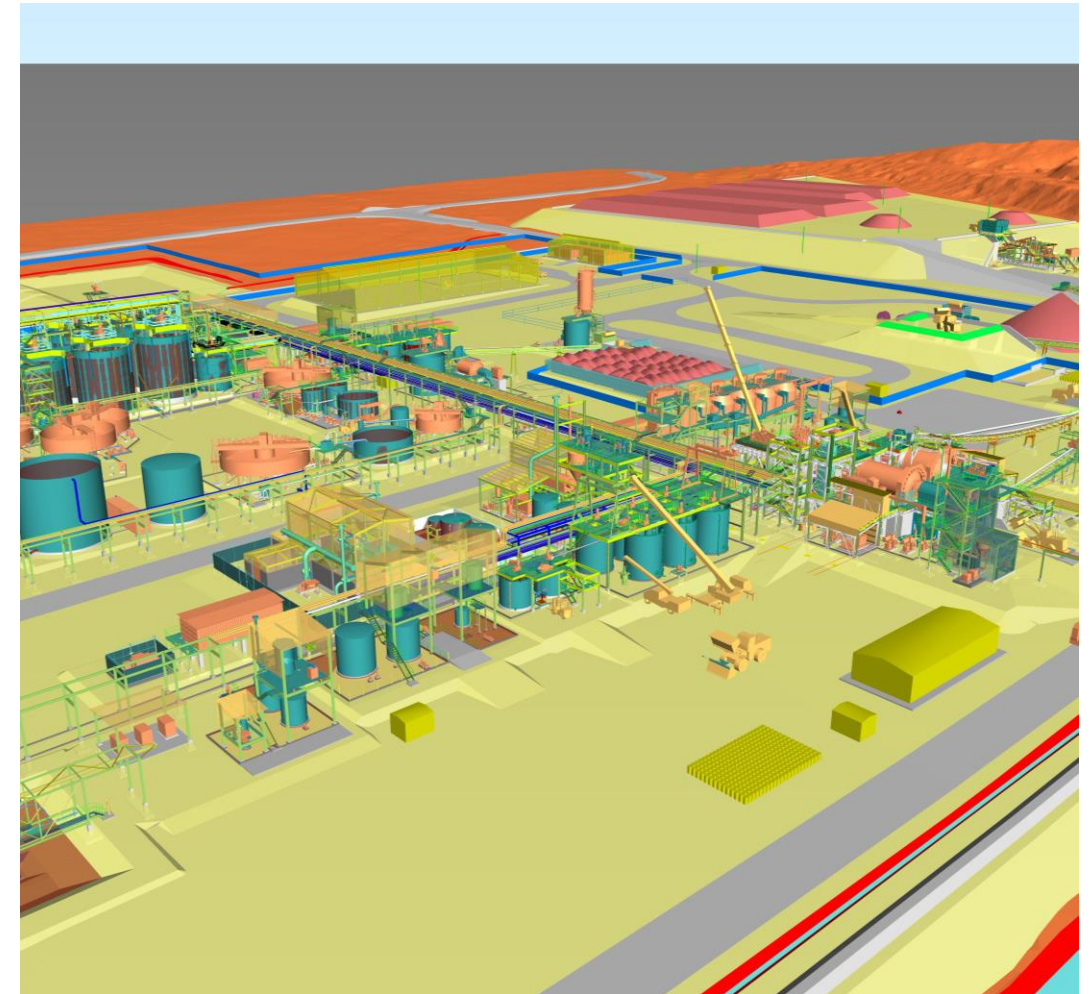
Ahafo North Project

Sector	Resources
Client	Newmont Ghana Gold Limited
Location	Ghana
Commodity	Gold
Scope	Engineering, Procurement and Construction Management (EPCM) services
Processing Capacity	3.4 to 3.7 Mtpa



Sabodala-Massawa BIOX[®] Expansion Project

Sector	Resources
Client	Sabodala Gold Operations SA (Endeavour Mining)
Location	Senegal
Commodity	Gold
Scope	Engineering and Procurement (EP) and associated Project Management (PM) services
Processing Capacity	1.2 Mtpa



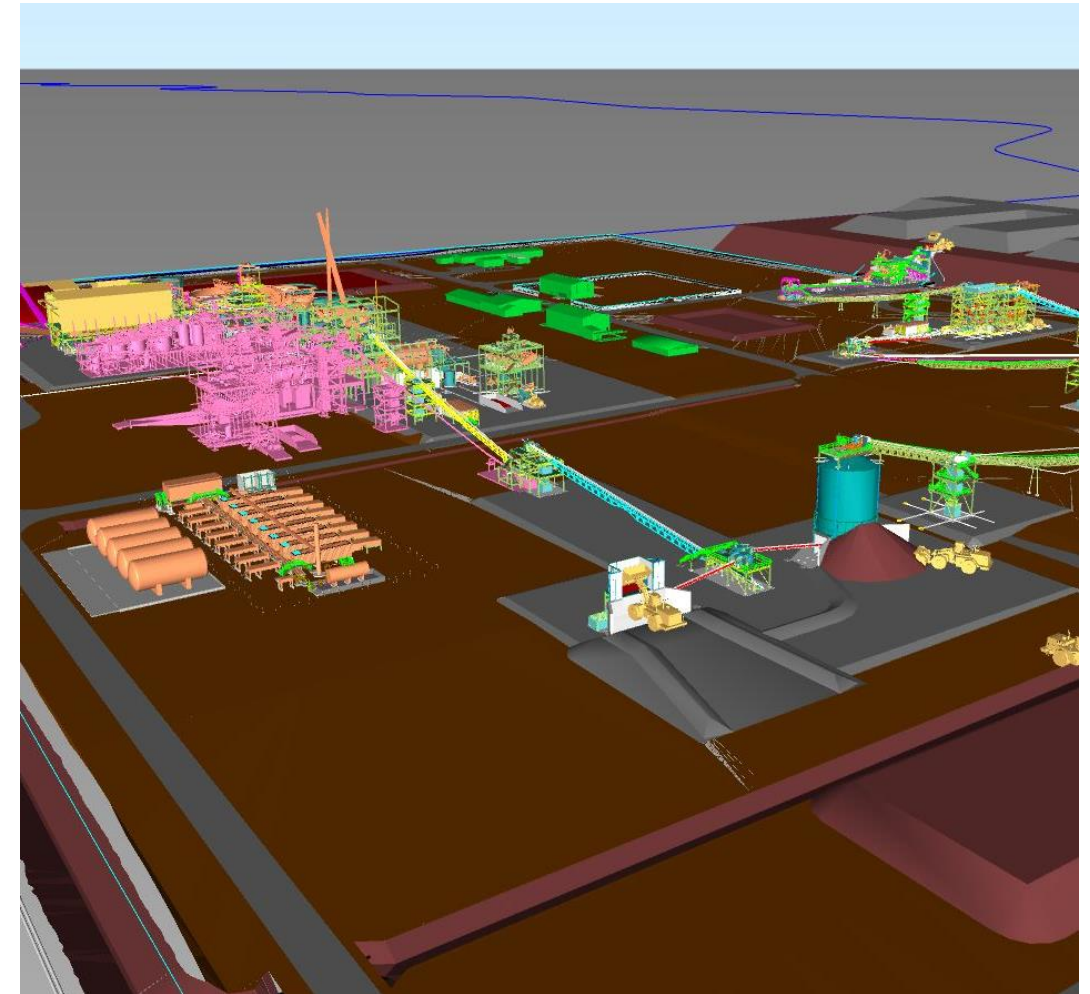
Lafigué Project

Sector	Resources
Client	Endeavour Mining – Lafigué Project
Location	Côte d'Ivoire
Commodity	Gold
Scope	Engineering and Procurement (EP) and Construction Management (CM) services
Processing Capacity	4 Mtpa



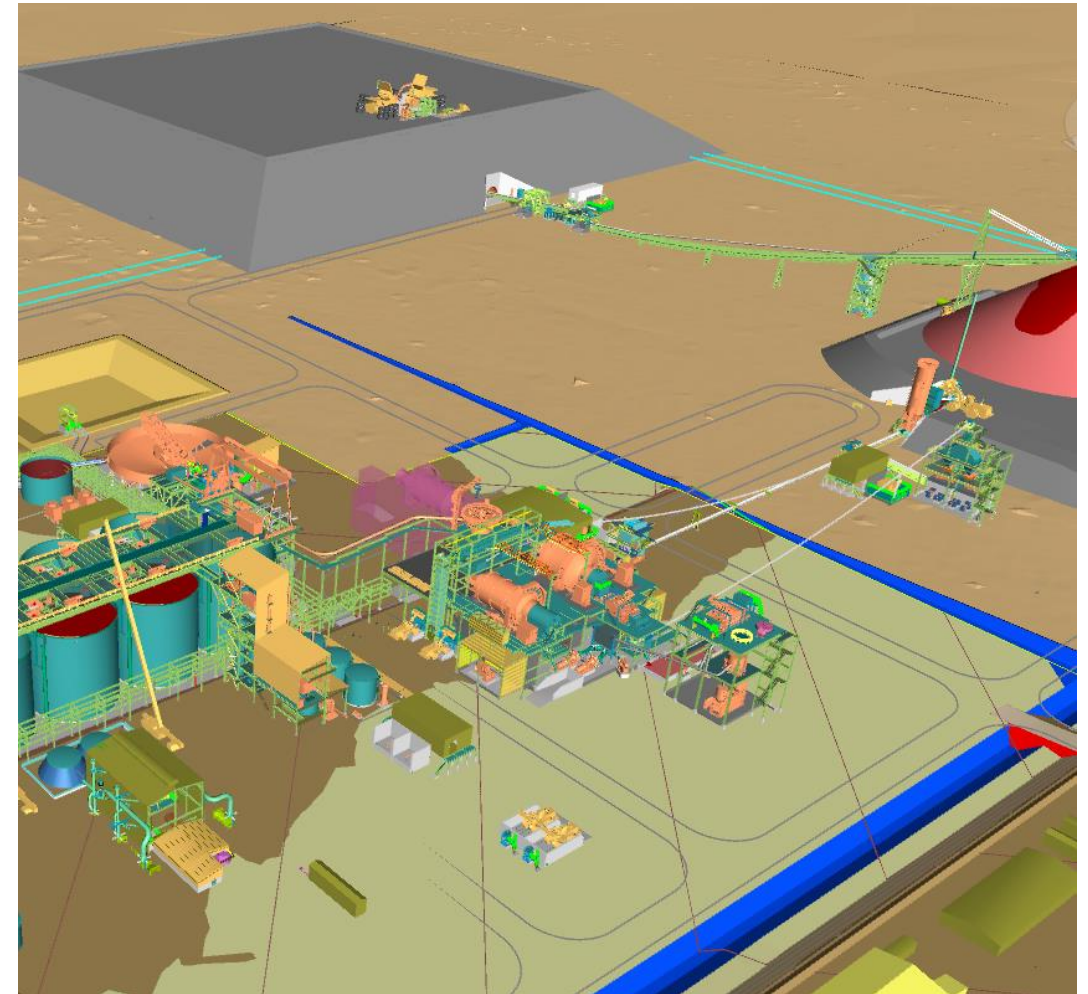
Goulamina Lithium Project

Sector	Resources
Client	Leo Lithium
Location	Mali
Commodity	Lithium
Scope	Engineering and Procurement (EP) and associated Project Management (PM) services
Processing Capacity	4.0 Mtpa



Kiaka Gold Project

Sector	Resources
Client	West African Resources
Location	Burkina Faso
Commodity	Gold
Scope	Engineering, Procurement and Construction Management (EPCM) services
Processing Capacity	7.0 Mtpa



Outlook

- Demand for base metals is expected to remain strong, in support of the energy transition
- Market for resources used in new and low emission technologies continuing to grow, including lithium, copper, nickel cobalt, graphite, vanadium and manganese
- Demand for gold continues to be buoyed by investment in 'safe' assets amid rising inflation and ongoing geopolitical uncertainty, and growing consumption in technology
- Development in emerging markets, including waste and recycling, water and wastewater and hydrogen continues
- Domestic manufacturing continues to present opportunities for the Industrial Processes sector
- Full year FY2023 guidance (as provided at AGM 15.11.22) – revenue of approximately \$280 million and NPAT in the vicinity of \$30 million

Strategy

- Continued focus on achieving broader geographical reach – across Asia-Pacific and the Americas
- Balanced project delivery portfolio – mix of EPCM and EPC
- People Plan – continue to attract, engage, inspire and retain a high performing, global, professional workforce
- Knowledge management – investment in systems to drive efficiency and facilitate work sharing across divisions and subsidiaries globally
- Innovation and emerging technology – digital twinning (ADP and Orway IQ) and engagement with industry (eg FBICRC and CSIRO)

Lycopodium

THANK YOU

Disclaimer

Information, including forecast financial information, in this presentation, should not be considered as a recommendation in relation to holding, purchasing or selling shares in Lycopodium Limited. Due care and attention has been used in the preparation of forecast information, however actual results may vary from forecast and any variation may be materially positive or negative. Investors should seek their own independent professional advice.