

ASX RELEASE

LYCOPODIUM LIMITED 2018/19 RESULTS

28 August 2019

Revenue	:	\$154 million
Profit Before Tax	:	\$23.54 million
Profit After Tax	:	\$16.51 million
Earnings per Share	:	41.5 cents per share
Total Dividend	:	30 cents per share

For the financial year ended 30 June 2019, Lycopodium delivered revenues of \$154 million and a net profit after tax of \$16.51 million.

The Directors have resolved to pay a final dividend of 15 cents, which is in line with the dividend policy. The total dividend for the year is 30 cents fully franked.

Lycopodium has had another busy and successful year in the markets in which it operates. Through the dedication and commitment of our management and staff, and leveraging off the Company's strengths we have achieved another solid financial outcome for the year.

Lycopodium's primary focus is on the health and safety of its staff and all personnel working on its projects. We continue to set and achieve a high standard of health and safety across all our projects and given the highly international nature of our activities we have worked proactively to ensure the security, safety and wellbeing of our personnel wherever they may be. Across the 2018/19 financial year there were 4.1 million manhours worked across the Lycopodium managed projects with a zero (0) LTIFR against an 8.1 Australian construction industry average.

In mineral resources, Lycopodium continued its track record of successful project delivery with the completion of another major West African greenfield gold project being the Ity Project (Côte d'Ivoire) which was commissioned and passed its performance tests in February 2019. It also completed the design, supply and installation of the modular final recovery plant on the Montepuez Ruby Mine (Mozambique) as well as the brownfield Toka Tindung Expansion Project (Indonesia). In terms of key projects advanced during the year these included the Waghnon Project (Burkina Faso) and continuation of work on the Cobré Panama Project (Panama) with provision of field engineering and plant commissioning services. Major projects awarded during the period included the Yaouré Project (Côte d'Ivoire) where Lycopodium kicked off its largest EPC contract to date, the Sanbrado Project (Burkina Faso) and the Farim Phosphate Project (Guinea Bissau) with the latter two being delivered on an EPCM basis.

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The level of activity in infrastructure continued at a steady rate across the year with a number of material briefs awarded and executed. These included a suite of rail level crossing design briefs for JHR in NSW, Operations and maintenance planning related services on the Newcastle Light Rail Project, CSR Validation services for ARTC on the Port Botany Rail Line Duplication and study services for the Cowra rail line.

In our industrial processes business we commenced work on the Geo40 Geothermal Fluid Processing Project as well as on a suite of cannabinoid related projects, effectively leveraging our expertise in the delivery of projects and engineering services in the pharmaceutical sector.

It is with great pride that we can report all our projects and studies are being delivered very well across the business. A reflection of the quality of our people and teams.

Outlook

From a minerals perspective Lycopodium has in the past twelve months been active on gold, copper, nickel, cobalt, iron ore, phosphate, diamonds, rubies, lithium and graphite related projects. The current outlook across this basket of minerals is mixed. Whereas the gold price is at historical highs, forecast prices for other commodities is less clear. We believe, given our key strength of being active across a broad range of commodities, geographies and clientele we will be able to take advantage of the opportunities and meet the challenges the market presents. We have a strong pipeline of projects and key prospects that we believe will underpin our operational and financial performance.

Having rationalised our target market in infrastructure to rail, asset management and resource project related infrastructure we see a reasonable market for our services and expect to improve the financial performance in this area.

In process industries we continue to evolve the business to leverage off our expertise in the areas of specialty chemicals, pharmaceutical and heat/mass transfer to participate in existing and emerging opportunities.

At present, the Company expects to generate revenues in the order of \$220M with earnings generally in line with those achieved in this past year.

Lycopodium is very proud of the achievements of its personnel over the last year. The Board of Directors recognises that their commitment and performance have enabled the Company to continue delivering world class services to our clients maintaining and building the Company's excellent reputation and track record.

Dividend Entitlements

The final dividend of 15 cents per share fully franked will be paid to shareholders on 11 October 2019, with a record date of 27 September 2019.

For further information:

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