

Lycopodium Limited Half-Year Results FY2022

A\$'000	HY2022	HY2021	Change
Revenue	102.4	71.0	▲
EBITDA	25.1	10.6	▲
NPAT	15.3	6.3	▲
Earnings Per Share	38.4	15.4	▲
Cash	63.6	84.5	▼

PERTH, 23 February 2022

Lycopodium Limited ("Lycopodium" or the "Company") has generated revenue of \$102.4 million and net profit after tax (NPAT) of \$15.3 million for the six-months ended 31 December 2021 (1H FY2022).

The Company Directors have approved a fully franked interim dividend of 18 cents per share, payable on 7 April 2022.

Lycopodium's Managing Director, Peter De Leo, said: "During the first half of FY2022 we have continued to build on the momentum generated in FY2021, with mobilisation of teams to projects transitioning to the construction phase and the further award of a number of new projects."

During 2021 the Company was awarded a number of significant Engineering, Procurement and Construction Management (EPCM) contracts, which have now commenced onsite works. This includes 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); Navachab Gold Mine Expansion in Namibia (QKR); and the design, supply and project delivery for the Séguéla Gold Project in Côte d'Ivoire (Fortuna Silver Mines).

"A particular highlight over the period was the achievement of first ore at Rio Tinto's Western Turner Syncline Phase 2 Project in the Pilbara in October. Delivered under an EPC scope by Mondium, our incorporated joint venture with Monadelphous, this significant project was completed from start to finish within the constraints posed by COVID-19, and overcoming the ongoing challenges this presented is a real credit to the team," said Mr De Leo.

Also under the remit of Mondium, the Engineering, Procurement and Construction (EPC) contract for the delivery of Talison Lithium's Tailings Retreatment Project at Greenbushes in the south-west of Western Australia successfully progressed to the commissioning and handover stage in early 2022.

Securing a number of major projects during FY2022 has further strengthened the Company's position. This includes the award of the EPCM contract for Talison Lithium's Chemical Grade Processing Plant #3 (CGP3) at Greenbushes, and the provision of professional engineering services for the Lithium Hydroxide Plant 2 (LHP2) Recommencement Project Phase 1 for Tianqi Lithium in Kwinana, Western Australia.

"It is fantastic to have secured such a strong pipeline of work domestically, to complement our offshore work. It's a good balance for our people, with plenty of opportunity here in Australia, but also the option to work further afield on the exciting projects we are involved with around the globe," said Mr De Leo.

Significant other contracts have been awarded since the commencement of FY2022. These include the EPCM contract for Lepidico Limited's Phase 1 Integrated Project for delivery of the concentrator in Namibia and the chemical plant in the United Arab Emirates. This follows earlier completion of the project's early works and Front End Engineering Design (FEED) scope. Most recently, the Company has been awarded the Engineering and Construction Management Services contract for the Batu Hijau Process Plant Expansion Project in Indonesia from PT Amman Mineral Nusa Tenggara.

"This is a major strategic project win for Lycopodium and will underpin our growth strategy in the Asia-Pacific region and specifically in Indonesia on major brownfield and greenfield projects," Mr De Leo said.

In Industrial Processes, the Company has been able to capitalise on the increased focus on domestic manufacturing which has resulted from the supply chain disruptions due to COVID-19. The Company is currently providing design consultancy services to Commonwealth Serum Laboratories (CSL) for the development of base vaccine component production and plasma and blood facilities. Most recently, the Company has been awarded the detailed engineering scope for CSL's world-class influenza vaccine manufacturing facility being built in Melbourne.

With a number of significant projects underway, the Company's positive safety performance has continued, reporting a Lost Time Injury Frequency Rate (LTIFR) of zero and an outstanding Total Recordable Injury Frequency Rate (TRIFR) of 0.5 for the rolling 12 month period to January 2022, against 1.9 million man-hours controlled.

"A safe operating culture is the foundation of a successful engineering and project delivery business and ultimately reflective of Company success," said Mr De Leo.

Projects in delivery, together with recent new awards, places the Company in a strong position for FY2022 and beyond, with full year guidance of approximately \$245 million in revenue and NPAT in the order of \$22 million.

For further information

Peter De Leo
Managing Director, Lycopodium Limited
Telephone: +61 8 6210 5222

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

For personal use only