

Forecast of 2009 Financial Year Results

The effects of the global financial crisis continue to adversely impact Lycopodium's business by way of continuing delays and cancellation of studies and projects, a reduced level of activity in the minerals and industrial sectors, and market pressures that continue to reduce margins.

Under these tighter operating conditions, the Board of Lycopodium advises that the forecast after tax profit for the 2009 financial year has been reduced to \$12.4 million including \$2.1 million of abnormal profit (realised through the sale of the Belmont properties). Revenue has been forecast to marginally increase to \$141 million.

Lycopodium continues to focus on business development, marketing, and cost reduction during this challenging period but the Board foresees that these difficult trading conditions will continue at least for the next 12 months.

For further information:

Mark Ward
Managing Director