

22 November 2010

Company Announcements Office
Australian Stock Exchange
Level 10, 20 Bond Street
SYDNEY NSW 2000

By ASX Online

CHAIRMAN'S ADDRESS & MD PRESENTATION

Attached are the Chairman's Address and a presentation from the Managing Director to be delivered at Decmil Group Limited's (ASX:DCG) annual general meeting scheduled to commence at 10.00am WST later this morning

Yours faithfully,



Brad Kelman
Company Secretary

Level 2, 76 Hasler Road
Osborne Park, Western Australia 6017
PO Box 1233, Osborne Park WA 6916

T: +61 8 9368 8877

F: +61 8 9368 8878

enquiries@decmil.com.au
www.decmilgroup.com.au

ASX DCG
ABN 35 111 210 390

DECMIL GROUP LIMITED

2010 ANNUAL GENERAL MEETING

Chairman's Address
Denis Criddle

SLIDE 1 – TITLE SLIDE

Good morning ladies and gentlemen.

My name is Denis Criddle and I am Chairman of the Board of Directors of Decmil Group Limited. On behalf of the Board of Directors, it is my pleasure to welcome you to the company's 2010 Annual General Meeting.

As it is now 10am and we have a quorum, I declare the meeting open.

For your safety, if we are required to leave the venue in an emergency please exit using [add details].

SLIDE 2 – BOARD OF DIRECTORS

Before commencing the business of the meeting, I would like to start by introducing you to each of my fellow Directors and Officers.

From left to right are:

- _ **Geoff Allen**, Non-Executive Director
- _ **Giles Everist**, Non-Executive Director who was appointed to the Board in January 2010 and is standing for election today
- _ **Robert Franco**, Non-Executive Director
- _ **Bill Healy**, Non-Executive Director

- _ **Lee Verios**, Non-Executive Director who was appointed to the Board in April 2010 and is also standing for election today

alongside Lee is

- _ **Scott Criddle**, Managing Director and Chief Executive Officer and beside him is
- _ **Brad Kelman**, General Counsel and Company Secretary.

In addition, we have representatives of:

- _ RSMBird Cameron, our auditors; and
- _ Steinepreis Paganin, our legal advisers

We also have a number of our executive team with us today.

I would like to take this opportunity to introduce Decmil Group Limited Chief Financial Officer **Justine Campbell** and **Dickie Dique** who was promoted to the position of the Group's Chief Operating Officer in April after serving as Managing Director of Decmil Australia.

SLIDE 3 – MEETING AGENDA

The order of business for today will be as follows. Firstly, I will take this opportunity to speak briefly about the Company's financial performance over the past year and key corporate activities.

Then I will hand over to **Scott** to deliver his address on the business highlights, operations, strategy and the outlook for the Group. After Scott's presentation, there will be an opportunity for shareholders to ask questions.

Following this, I will take us through the formal business of the day. That will conclude the Annual General Meeting and light refreshments will then be served.

SLIDE 4 – CHAIRMAN'S ADDRESS

I am pleased to report that Decmil Group Limited has achieved another strong profit for the year ended 30 June 2010.

SLIDE 5 - FINANCIAL HIGHLIGHTS

I am pleased to report that Decmil Group Limited has achieved another strong profit for the year ended 30 June 2010.

Reported normalised profit after tax from continuing operations was up 55 percent to \$18.9 million on sales revenue for the year of \$329 million.

The Group's divestment and closure of non-core businesses was finalised during the year and resulted in a goodwill write down of \$7.8 million. A total of \$1.2 million in one-off costs associated with the restructure, including redundancy payments and office lease costs were recorded in the year.

Following the consolidation of operations, Decmil Australia became the Group's core asset.

Normalised EBITDA for the 2009/2010 financial year was up 51 percent to \$29.9 million following Decmil Australia's strong organic growth and success in winning a number of new contracts and contract extensions.

Reported earnings per share, again from continuing operations, increased 49 per cent to 15.5 cents per share.

During the financial year, the Group's net assets increased by \$13 million to \$90 million.

Sound operating cash flow performance continued to be a key feature of Decmil Group in 2009/2010 and increased by 84 percent to \$31 million.

SLIDE 6 – STRONG BALANCE SHEET

At 30 June 2010, the Group's cash position grew 131 percent to \$53 million and, importantly, the company maintained no significant debt. This cash position and the established banking facilities the Company has in place put Decmil in a strong financial position to expand and grow its current operations.

SLIDE 7 – SHARE PRICE GROWTH

The group's strong performance was reflected in DGL's share price which increased 120 percent over the financial year, from 0.69 cents on 1 July 2009 to \$1.52 at 30 June 2010. The increased share price lifted the company's market capitalisation from \$81 million to \$188 million over the 12 month period.

While the Board of Directors has not declared a dividend for the 2009-10 financial year it does expect to declare a dividend will be for the current financial year. The amount and timing of any dividend payment to shareholders is yet to be determined and will be subject to ongoing strong trading conditions and any other special cash requirements.

SLIDE 8 – STRONG OPERATIONAL PERFORMANCE

Strong operational performance was driven by the high value of contracts awarded in 2009/2010 and the previous financial year. The company's workforce numbers increased in line with these work levels, with more than 900 employees and contractors engaged during the period.

Another feature of the year was the healthy level of tendering success with the award of approximately \$256 million in new contracts and contract extensions – further strengthening our platform for growth.

SLIDE 9 – CHAIRMAN'S ADDRESS

Scott will provide more detail on the Group's operational performance shortly and address how the company plans to take advantage of the strong pipeline of opportunities in its key markets.

Before I invite him to do so, I would like to take this opportunity to advise shareholders that Decmil Group has recently exercised an option to purchase a partially complete commercial property in the near city suburb of Herdsman in Perth to secure our existing and future workforce.

The Board anticipates the group will continue to achieve strong growth in the next two to three years and believes making a commitment to secure additional office space in a key location at this time will allow the company to plan for and implement a smooth transition to new premises and maintain flexibility over its total space needs.

I would also like to take this opportunity to acknowledge and thank the work of **Mr Robert Franco** who is retiring from our Board. Rob has been a valued member of the Board since its inception and has made a valuable contribution to the Company as a Director. We wish him all the best in his future endeavours.

I would like to close my address by stating that your Board is confident the outlook for the resources and energy sectors remains strong in Western Australia with demand for Australian commodities likely to continue in the short and medium-terms.

Further, our conservative approach, focus on project execution, and strong reputation; together with our healthy balance sheet positions us strongly to take advantage of any future opportunities.

In handing over to **Scott**, I would like to take this opportunity to thank him for his strong leadership of the company in the past year and congratulate him, the management and staff on the excellent result that Decmil Group achieved again this year. I am always impressed by the dedication and enthusiasm our people bring to their work and I want to thank them all for their continued efforts.

I will now ask **Scott** to present an overview of the business highlights, operations and some more information on our strategy and outlook.

Managing Director's Address

Scott Criddle

SLIDE 10 – MANAGING DIRECTOR'S ADDRESS

Thank you Denis and good morning ladies and gentlemen.

As Denis has advised, the 2009/2010 financial year has been one of consolidation as we laid out the foundations for the next phase in our evolution and strengthened our position in the market as a leading engineering and construction company.

Central to this consolidation story has been a strategic review of the business which resulted in the decision to divest and close non-core businesses and focus our key performing asset, Decmil Australia.

As reported, the Group's sales revenue from continuing operations increased by 29 percent to a record \$329 million. This increase was driven by our continued strong service performance to national and international blue-chip customers in the resources and oil & gas sectors.

Decmil Group Limited is one of Australia's fastest growing construction service companies. During the year, our major subsidiary Decmil Australia had solid growth from this core asset across all business areas of accommodation villages; civil works and non-process infrastructure and secured \$256 million in new contracts and contract extensions.

While we continued to focus on core Western Australian resources and oil & gas markets significant progress was also achieved in pursuing our short-term objective of leveraging our expertise and experience in the infrastructure sector.

SLIDE 11 – PEOPLE AND SAFETY

Fundamental to our ongoing success and reputation in the marketplace is the attraction and retention of key people within our business.

Decmil strongly believes that its culture and people are integral to the company's success.

During the 2009/2010 we invested considerable time and resource to do all we can to ensure we have the right person, in the right role, at the right time. We also invested in human resources services and processes to ensure the right people continue to be attracted and retained to make sure the group is well positioned to maximise future business opportunities.

In line with the company's growth strategy, Decmil Group's Executive Management Team was strengthened with several key appointments during the year.

Dickie Dique was appointed as Chief Operating Officer in April 2010 having previously been Managing Director of Decmil Australia where he was instrumental in delivering the company's strong operating performance over a number of years.

Tom Fallon joined Decmil Australia in April as General Manager and has made a solid contribution since his appointment.

SLIDE 12 – HEALTH, SAFETY & ENVIRONMENT

One of the often overlooked and significant barriers to entry in the markets where Decmil operates is safety performance. Our continued investment in health and safety systems and training and development has continued to pay dividends.

In 2009/2010, the company achieved improvement in safety performance. Importantly, TRIFR has reduced substantially over the last two years to now be in single digits – a figure that compares favourably with our industry peers.

The success of this improvement and the effectiveness of Decmil Australia's HSE systems were recognised with Worksafe WA's 'Gold' level award in October 2010.

SLIDE 13 – CURRENT PLATFORM

SLIDE 14 – CURRENT PROJECTS

SLIDE 15 - CURRENT PROJECTS (*Civil Works*)

SLIDE 16 - CURRENT PROJECTS (*Non-process Infrastructure*)

SLIDE 17 - CURRENT PROJECTS (*Accommodation Villages*)

SLIDE 18 – COMPETITIVE LANDSCAPE

In our current business areas, there is only a small number of players capable of servicing Decmil's target contract size of \$100m+.

SLIDE19 – FUTURE PROJECT PIPELINE

SLIDE 20 – FUTURE PROJECT PIPELINE

Now we move on to our strategy and outlook.

SLIDE 21 – OUR STRATEGY

Slide 21 provides an overview of our multi-faceted approach to our strategy. It highlights the areas we are focusing on to continue to deliver sustainable growth.

Our growth strategies are:

- Maximise returns from our core markets in WA resources and oil & gas sectors
- Geographic expansion
- Leveraged diversification into infrastructure sector

Support strategies are:

- Right people, right culture strategy
 - Build workforce capacity
 - Attract and retain right people
- Right structure to deliver business growth
- Continue to develop processes and systems to match growth

Acquisitions

- Pursue opportunities that enable delivery of growth and support strategies

Finally, on the outlook.

SLIDE 22 – OUTLOOK

Following the contracts won in the last financial year, Decmil Group entered the current financial year in a strong position to deliver another year of growth.

Current business activity and forward workload levels continue to run at a high level. Importantly, the company is favoured by its strong position with blue chip customers in the WA resources and oil & gas sectors, many of which have recently announced they are proceeding with significant investment in new and existing projects.

The outlook for 2009/2010 continues to be positive and we expect to deliver double digit growth in full year profit after tax.

More generally, we will be continuing to drive sustainable growth through diversification of our revenue and earnings into the infrastructure markets as well as continuing to build on our current operations.

Furthermore, the company's strong balance sheet provides us with the opportunity to pursue strategic acquisitions.

In closing, our strong forward workload, solid reputation with our blue chip customers, together with a robust financial position and highly capable workforce, provide us with significant confidence to successfully capitalise on the strong pipeline of opportunities.

– ENDS –

Thank you Scott

I will now move onto the formal matters before today's meeting.

There are four (4) items of business on the agenda for this meeting as set out in the Notice of Meeting.

I will be Chairman for today's meeting however I wish to give notice at this time that I will step down and hand the chair to Director Bill Healy for item 4 on the agenda. I have taken this decision as I have a personal interest in this item.

Before opening today's meeting, let me outline the process we will be following.

When the item of business is read out, the Chair will invite questions from the floor. The Chairman will have discretion to determine if discussion remains relevant to the item and, if not, will request that discussion be terminated.

After any discussion, the Chair will request a show of hands to vote on the item.

If the Chair considers the show of hands does not reflect the views of the shareholders entitled to vote, the Chairman will ask for a poll on the resolution, and you will be issued with ballot papers to fill in. The poll will be taken and the results of the poll will be read out at this meeting.

You have all received the Notice of Meeting detailing the business to be dealt with today. If there are no objections [look up ... pause] I move that the Notice of Meeting be taken as read.

Proxies Proxies have been received from 207 shareholders representing 86,713,534 shares being 70.0% of the Company's issued capital.

The proxies have been counted and inspected and validated by the Company's Auditors.

Resolution 1

I now direct your attention to **Resolution 1** of today's meeting. Resolution 1 states:

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2010."

I confirm that the Company has received the following valid proxy votes in relation to Resolution 1:

In favour	85,942,001
Against	346,873
Abstain	369,101

I now move the motion that Resolution 1 be put to the meeting.

Before I put the Resolution to the shareholders, does anyone have any comments or questions about this Resolution?

Questions from floor (When comments/questions are finished state:)

There being no further comments, I now formally put the resolution to the meeting and ask for a show of hands and that only those persons who are entitled to vote raise their hands.

Those in favour?

Those against?

I declare the motion carried/not carried on a show of hands.

Resolution 2

I now turn to **Resolution 2** for the re-election of Director **Mr Giles Everist**. Resolution 2 states:

“That, for the purpose of clause 11.12 of the Constitution and for all other purposes, Mr Giles Everist, a Director who was appointed on 4 January 2010, retires, and being eligible, is re-elected as a Director”

I confirm that the Company has received the following valid proxy votes in relation to Resolution 2:

In favour	86,290,559
Against	28,414
Abstain	364,061

I now move the motion that Resolution 2 be put to the meeting.

Before I put the Resolution to the shareholders, does anyone have any comments or questions about this Resolution?

Questions from floor (When comments/questions are finished state:)

There being no further comments, I now formally put the resolution to the meeting and ask for a show of hands and that only those persons who are entitled to vote raise their hands.

Those in favour?

Those against?

I declare the motion carried/not carried on a show of hands.

Resolution 3

Resolution 3 is for the re-election of Director **Mr Lee Verios**. The resolution, as stated in the Notice of Meeting is:

“That, for the purpose of clause 11.12 of the Constitution and for all other purposes, Mr Lee Verios, a Director who was appointed on 28 April 2010, retires, and being eligible, is re-elected as a Director”

I confirm that the Company has received the following valid proxy votes in relation to Resolution 3:

In favour	86,270,519
Against	48,414
Abstain	364,101

I now move the motion that **Resolution 3** be put to the meeting.

Before I put the Resolution to the shareholders, does anyone have any comments or questions about this Resolution?

Questions from floor (When comments/questions are finished state:)

There being no further comments, I now formally put the resolution to the meeting and ask for a show of hands and that only those persons who are entitled to vote raise their hands.

Those in favour?

Those against?

I declare the motion carried/not carried on a show of hands.

As the next resolution relates to the motion for my re-election, I will ask Non-Executive Director **Mr Bill Healy** to take the chair for the voting on Resolution 4.

Resolution 4

Thank you Denis. As detailed in the Notice of Meeting, **Resolution 4** relates to the re-election of Director Mr Denis Criddle. Resolution 4 states:

“That, for the purpose of clause 11.3 of the Constitution and for all other purposes, Mr Denis Criddle, a Director who retires by rotation, and being eligible, is re-elected as a Director.

I confirm that the Company has received the following valid proxy votes in relation to Resolution 4:

In favour	86,277,547
Against	30,014
Abstain	375,473

I now move the motion that Resolution 4 be put to the meeting.

Before I put the Resolution to the shareholders, does anyone have any comments or questions about this Resolution?

Questions from floor (When comments/questions are finished state:)

There being no further comments, I now formally put the resolution to the meeting and ask for a show of hands and that only those persons who are entitled to vote raise their hands.

Those in favour?

Those against?

I declare the motion carried/not carried on a show of hands.

Congratulations Denis [*Bill sits down, Denis resumes chair*]

Thank you **Bill**

Closing

Ladies and gentlemen, that concludes today's meeting. I would like to thank you for your attendance and now invite you to join Directors and management for some refreshments.

2010



Annual General Meeting
22 November 2010



BOARD & EXECUTIVE MANAGEMENT



Denis Criddle



Geoff Allen



Giles Everist



Robert Franco



Bill Healy



Lee Verios



Scott Criddle

BOARD

- **Denis Criddle** Non-Executive Chairman
- **Geoff Allen** Non-Executive Director
- **Giles Everist** Non-Executive Director
- **Robert Franco** Non-Executive Director
- **Bill Healy** Non-Executive Director
- **Lee Verios** Non-Executive Director
- **Scott Criddle** Managing Director and Chief Executive Officer

EXECUTIVE MANAGEMENT TEAM

- **Justine Campbell** Chief Financial Officer
- **Dickie Dique** Chief Operating Officer
- **Brad Kelman** General Counsel & Company Secretary



MEETING AGENDA



Chairman's Address

Denis Criddle

MD's Address

Scott Criddle

Shareholder Questions

Items of Business

Denis Criddle



2010



CHAIRMAN'S ADDRESS

Annual General Meeting



FINANCIAL HIGHLIGHTS

		FY 10	FY 09	Change
NPAT	\$m	18.9	12.2	+55%
Sales Revenue	\$m	329.0	254.9	+29%
EBITDA	\$m	29.9	19.8	+51%
EPS Basic	cps	15.5	10.4	+49%
Operating Cash Flow	\$m	31.4	17.1	+84%

Above figures relate to continuing operations



STRONG BALANCE SHEET

		FY 10	FY 09	Change
Cash on Hand	\$m	52.9	22.9	+131%
Debt	\$m	5.7	4.8	+19%
Net Cash	\$m	47.2	18.1	+161%
Bank Guarantees & Performance Bonds	Utilised \$m	57.1	38.1	+50%
	Available \$m	35.4	44.4	-20%
CAPEX	\$m	5.8	5.4	+7%

- Significantly improved net cash position
- Maintained minimal level of debt
- Sufficient capacity to facilitate future growth strategy



SHARE PRICE GROWTH

DGL - one of Australia's fastest growing construction services companies



OPERATIONAL PERFORMANCE

- High value contracts won
- Workforce numbers lift > 900
- Tendering success with \$256M in new contracts and contract extensions
- Further strengthening our *Platform for Growth*



2010



CHAIRMAN'S ADDRESS

Annual General Meeting



2010



MANAGING DIRECTOR'S ADDRESS

Annual General Meeting



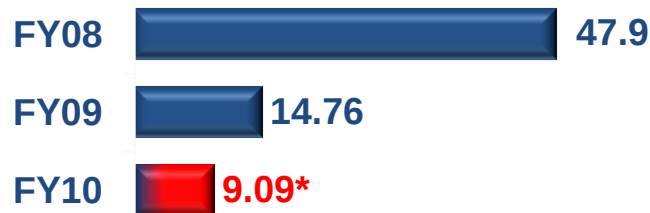


PEOPLE & SAFETY



HEALTH, SAFETY & ENVIRONMENT

Total Recordable Incident Frequency Rate (TRIFR)



* Normalised rate after corporate restructure



- Implemented Safety/Health In Every Level @ Decmil (SHIELD)
 - program to drive safety culture and facilitate improvements across company
- Decmil Australia's HSE systems recognised with Worksafe WA's 'Gold' level award
- Carbon inventory program introduced to reduce and offset residual emission levels



CURRENT PLATFORM

DGL aims:

to be Australia's leading diversified construction company, delivering sustainable growth through our continued focus on all relationships

- **Strategic focus**
 - oil & gas, resources and infrastructure sectors
- **Geographic focus**
 - Western Australia north west
- **30+ years of remote and regional experience**
- **Solid reputation with blue-chip clients**
 - service and delivery
 - targeted contract size of \$100m+
- **Our clients include:**





CURRENT PROJECTS



PROJECTS — CIVIL WORKS

Pluto Site A – Civil Works

CLIENT **Woodside Energy**
VALUE **\$115 million**
DETAILS Supply and install concrete foundations and pedestals, in-ground electrical & hydraulic services



Pluto Site B – Temporary & Miscellaneous Facilities

CLIENT **Woodside Energy**
VALUE **\$148 million**
DETAILS Construction of temporary site facilities & misc civil works



PROJECTS — NON-PROCESS INFRASTRUCTURE

Pluto Central Control Room

CLIENT	Woodside Energy
VALUE	\$31 million
DETAILS	Construction of 2,000m ² Central Control Room & admin buildings. Includes 320m ² guardhouse & medical facility



Finucane Island Building Complex

CLIENT	BHP Billiton
VALUE	\$41 million
DETAILS	New buildings construction including admin offices, staff amenities, workshops, warehouse & refuelling facility



Gorgon LNG Project – Site Preparation

CLIENT	Thiess (Chevron)
VALUE	\$74 million
DETAILS	Design and construct temporary construction warehouses, transportable buildings & workshops



PROJECTS — ACCOMMODATION VILLAGES

Gorgon Construction Village

CLIENT **Chevron**
VALUE **Total JV contract \$518M (Decmil share \$176M)**
DETAILS Construct 3,300 person village on Barrow Island

Port Haven Accommodation Village

CLIENT **BHP Billiton Iron Ore**
VALUE **\$136M**
DETAILS Design and construct 1,200 person village

Kandama Accommodation Village

CLIENT **Fortescue Metals Group**
VALUE **\$83M**
DETAILS Design and construct 800-person “Resort Style” village



COMPETITIVE LANDSCAPE

Small number of players capable of servicing Decmil's target contract size of \$100m+

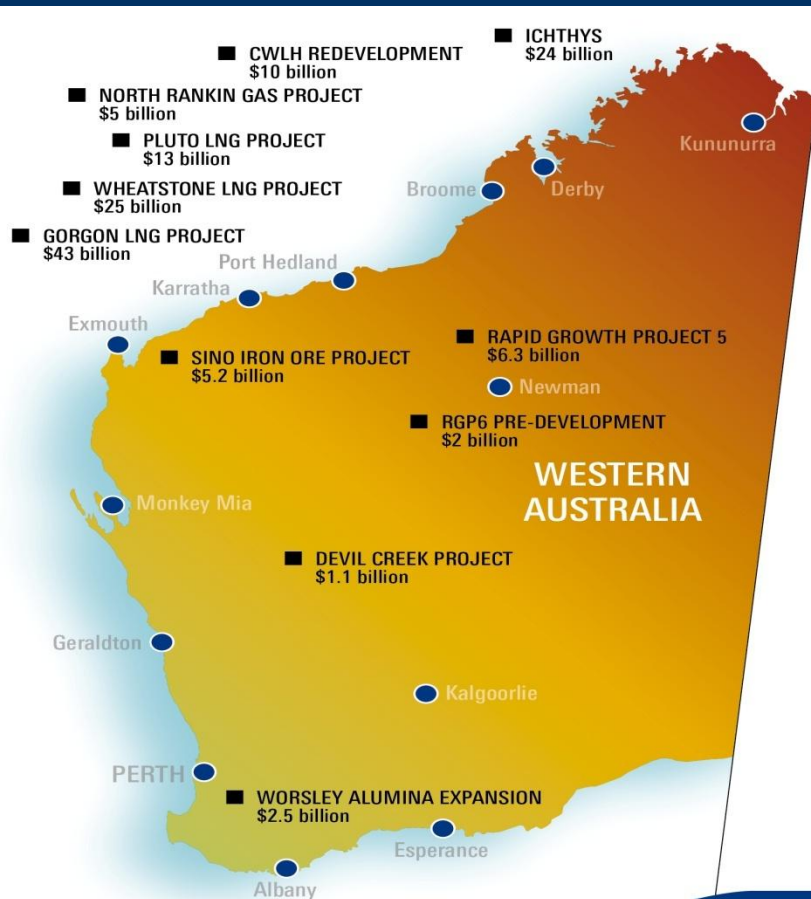
	Accommodation Villages	Civil Works	Non-Process Infrastructure
DECMIL GROUP	✓	✓	✓
Leighton Contractors	✓	✓	✗
Thiess	✓	✓	✗
John Holland	✗	✗	✓
Forge Group	✗	Small	✓
VDM Group	Small	✗	✓
Macmahon Holdings	✗	✓	✗
NRW Holdings	✗	✓	✗
Georgiou Group *	Small	✓	✓
DORIC Group *	Small	✗	✓

- Based on contracts performed for Tier One Clients
- Limited competition in each area of work

*Private Companies



FUTURE PROJECT PIPELINE



Top Ten Major WA/NT Projects

\$280bn worth of Western Australian projects are in the pipeline.

Source: WA Business News September 2, 2010



www.decmil.com.au



FUTURE PROJECT PIPELINE

Client	Project Name	Value	Location	Construction Period	Decmil Pipeline	Type
Chevron	Gorgon	\$43.0b	Barrow Island	Estimated completion 2014	\$400M	Civil, NPI
Rio Tinto	330 Expansion	\$10.0b	Pilbara	2011-2015	\$180M	Village, Civil, NPI
Woodside	Pluto	\$13.0b	Pilbara	90% complete	\$80M	Civil
BHP	RGP6	\$2.2b	Pilbara	Mid 2011-2013	\$150M	Village, Civil, NPI
Hancock Prospecting	Roy Hill	\$7.2b	Pilbara	2011-2013	\$1.5b	Village, Civil, NPI
Woodside	Pluto Train 2 & 3	\$2.7b	Pilbara	Mid 2011-2013	\$300M	Civil
Chevron	Wheatstone	\$23.0b	Pilbara	Late 2011-2015	\$750M	Village, Civil, NPI
Inpex	Inpex	\$25.0b	Darwin	2012-2016	\$250M	Village, Civil, NPI
FMG	Solomon Stage 1	\$3.2b	Pilbara	Mid 2011-2013	\$150M	Civil, NPI
Woodside	Browse	\$10.0b+	Pilbara	2012-2015	\$1.0b +	Village, Civil, NPI
WA Govt	Oakajee	\$4.4b	Geraldton	2011-2014	\$100M	Village, NPI
TOTAL		\$143.7b			\$4.86b	



STRATEGY

Growth strategies:

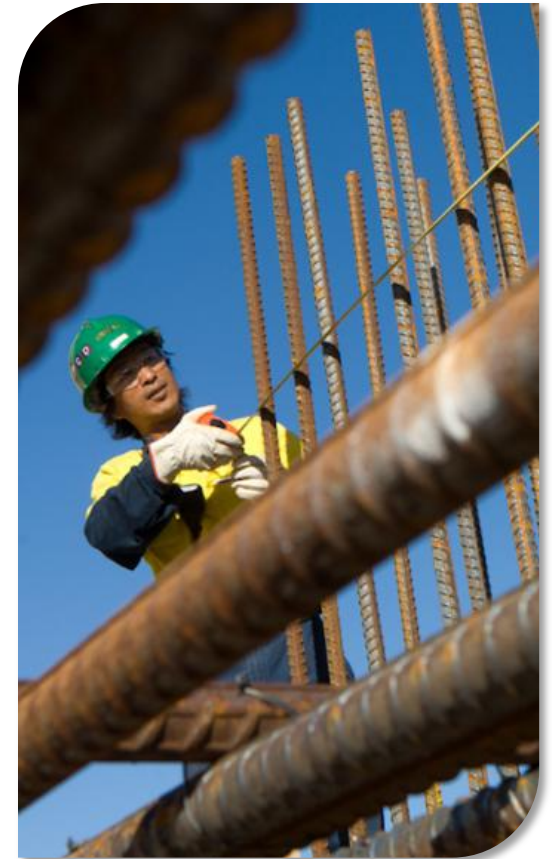
- Maximise returns from our core markets in WA resources and oil & gas sectors
- Geographic expansion
- Leveraged diversification into infrastructure sector

Support strategies:

- Right people, right culture strategy
- Build workforce capacity
- Attract and retain right people
- Right structure to deliver business growth
- Continue to develop processes and systems to match growth

Acquisitions:

- Pursue opportunities that enable delivery of growth and support strategies



OUTLOOK

- Enter 2011 in an excellent position with a strong order book
- Positive outlook in Resources and Oil & Gas sectors
- New project starts subject to timing
- Current tendering levels high
- Ongoing growth opportunities for diversification in new markets
- Further develop relationships with existing blue-chip clients and streamline processes
- Strong earnings expected to continue



2010



Annual General Meeting
22 November 2010

