

ASX / MEDIA ANNOUNCEMENT
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DECMIL GROUP AWARDED A\$55M CONTRACT FOR KARNTAMA VILLAGE STAGE 2

Key Points

- **FMG awards Decmil A\$55M contract to install buildings for Karntama (previously known as Kandama) Village Stage 2.**
- **Work to start immediately for expected completion in January 2012.**

The Decmil Group Limited (**ASX: DCG**) ("DGL") today announced its wholly-owned subsidiary, Decmil Australia Ltd, has been awarded a A\$55 million contract by Fortescue Metals Group Ltd ("FMG") to install Stage 2 of the Karntama (previously known as Kandama) Village at FMG's Christmas Creek Project in Western Australia's Pilbara region.

Karntama Village is being expanded as part of FMG's broader expansion program to facilitate total iron ore production from the Chichester Hub of 95 million tonnes per annum.

Decmil designed the Karntama Village to be built in two phases, with two 800-person camps centered around a shared services area. With completion of Stage 2, the Karntama Village will have accommodation capacity for 1600 people.

The contract is for the installation of accommodation rooms, laundries, universal rooms as well as extension to the central facilities - including expansion of kitchen and diner facilities; installation of recreational amenities such as a lap pool, new BBQ areas, gymnasiums and cafes - and substantial landscaping.

Decmil Group CEO Scott Criddle said "Decmil completed construction of Stage 1 earlier this year and is pleased to be awarded the follow-up contract for Stage 2. It is further endorsement of the quality of work completed and demonstrates Decmil's ability to remain agile and responsive to its clients' needs and project timetables."

Mr Criddle said Decmil has developed workforce capabilities which allow civil and building skill sets, including key trades, to be transferable across large projects. The immediate start of this contract allows Decmil to deploy staff from recently completed projects to the Karntama project.

DGL has identified a significant project pipeline of work across its key business areas of civil works, non-process infrastructure and villages, and is currently working on a number of associated tender submissions.

ENDS

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