

16 November 2011

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

T: +61 8 9368 8877

F: +61 8 9368 8878

Postal Address
PO Box 1233, Osborne Park WA 6916
enquiries@decmil.com.au
www.decmilgroup.com.au

ASX DCG
ABN 35 111 210 390

DECMIL GROUP LIMITED 2011 ANNUAL GENERAL MEETING

Chairman's Address Denis Criddle

Good morning ladies and gentlemen.

My name is Denis Criddle and, as Chairman of Decmil Group Limited, it is my pleasure to welcome you to the company's 2011 Annual General Meeting.

As it is now 10am and a quorum is present, I now declare this meeting open. I propose to take the Notice of Meeting as read.

BOARD INTRODUCTION

To begin proceedings I would now like to introduce the members of the Board.

From left to right are Non-Executive Directors:

- **Geoff Allen**, who was appointed as a Non-Executive Director in April 2009. He was a former Director of Multiplex Constructions from 1969 to 2003 and served in various roles at Multiplex during that period, including as Managing Director and Deputy Chairman from 1989 to 2003. Geoff was Chairman of Nomad Building Solutions since the company's listing on the ASX to 2008.

Over the past 30 years he has also served in various capacities with the Australian Institute of Building, the Master Builders Association of Western Australia and the Builders' Registration Board of WA.

- Next to Geoff is **Giles Everist**, who has served as a Non-Executive Director in December 2009.

Formerly the Chief Financial Officer and Company Secretary of Monadelphous Group Limited between 2003 and 2009, Giles has more than 17 years' experience in the resources and engineering services industry.

During his career Giles has held financial executive roles with Rio Tinto in the United Kingdom and Australia plus major design engineering group Flour Australia.

- **Bill Healy**, who is standing for re-election today is seated next to Giles. Bill joined the Board as a Non-Executive Director in April 2009.

He was a director and shareholder in Sealcorp Holdings from 1985 which then established and developed the diversified financial services group. Sealcorp was acquired by St George Bank in 1997 and he remained on the Board until 1999. Bill was also founding director and Chairman of BOOM Logistics Ltd.

- Next to Bill is **Lee Verios** who was appointed as a Non-Executive Director in April 2010.

Formerly a partner in the international law firm Norton Rose, Lee is an experienced commercial and property lawyer. He also has broad experience as a company director, and is currently Chairman of Port Bouvard.

I would also like to introduce **Scott Criddle**, Managing Director and Chief Executive Officer and beside him is **Brad Kelman**, General Counsel and Company Secretary.

- **Scott** has held the role of Chief Executive Officer since July 2009 and was appointed Managing Director in April 2010. He has more than 15 years' experience in the civil construction and engineering industry.
- **Brad** joined DGL as General Counsel and Company Secretary in November 2009. He previously held several roles with Leighton Contractors Pty Ltd in Sydney and Perth including Legal Counsel for Victoria and Commercial & Risk Manager for Western Australia.
- Also in attendance at today's meeting is Decmil Group Limited Chief Financial Officer **Justine Campbell**.

As Chairman I regard it as a privilege to work with such a talented group of directors and executive managers.

In addition, we have representatives of:

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

As you'd be aware from the Notice of Meeting, there are two items of business to be discussed when we move into the formal part of today's meeting. But before that, I'll make some general observations about the last 12 months and key corporate activities.

Scott will then provide more detail on Decmil Group's operational performance in 2011 to deliver on the company's corporate strategy and present a summary of the current outlook for the future business activities, after that I will return to open the formal proceedings.

Shareholders will have the opportunity to ask questions at this time prior to attending to the formal business of the meeting. Light refreshments will be served at following the meeting.

FINANCIAL PERFORMANCE

I am pleased to report it was another record year for the Decmil Group. The company achieved record sales and delivered a record profit for the year ended 30 June 2011.

This performance was realised through the Group's core asset, Decmil Australia, which was awarded a number of major contracts and contract extensions in the resources and oil and gas sectors.

Net profit after tax from continuing operations was up 24 percent to a record \$23.5 million. This was achieved on annual sales revenue of \$394 million, which was 20 percent higher than the previous year.

Strong operational performance by our core asset, Decmil Australia, delivered earnings before interest, tax and depreciation and amortisation of \$35.4 million, up 18 percent on the previous year.

In the financial year, DGL's net assets increased by \$24 million to \$114 million and sound operating cash flow performance continued to be a key feature of the company.

Reported earnings per share increased 22 percent to 18.9 cents per share and DGL achieved a return on equity of 20 percent.

Following the Group's strong financial performance and healthy cash position, the Board declared the company's maiden dividend of 6 cents per share fully franked. This represents a 31.7 percent payout ratio which is in line with the Board's dividend payout policy.

STRONG BALANCE SHEET

The company maintained its strong cash position with gross cash increasing 22 percent to \$64.4 million and low debt of \$7.9 million resulting in a net cash position of \$56.5 million. The Group has healthy cash levels available to fund future operations and growth opportunities.

We have also significantly increased bonding facilities with \$72.2 million in available bonds available to support DGL's future growth strategy.

Decmil Group is focussed on maximising returns from the Group's assets to deliver value to our shareholders, clients and other stakeholders. We operate a low capex business that delivers a higher return on equity.

SHARE PRICE GROWTH

The Group's strong performance was reflected in DGL's share price which increased 81 percent over the financial year, from \$1.52 on 30 June 2010 to \$2.76 at 30 June 2011.

In September 2011, DGL was added to the S&P/ASX 300 Index following Standard & Poors' September quarterly review and rebalance.

The Group performed strongly during the year through its core business Decmil Australia which continued to secure substantial contracts and contract extensions with leading resources and energy clients including Woodside Energy, BHP Billiton and Fortescue Metals Group.

Work also continued on the company's largest contract to date for the design and construction of a 4,000 person construction village on Barrow Island for the Chevron-operated Gorgon Project.

Scott will provide further 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 of a number of Board changes.

BOARD CHANGES

Mr Geoff Allen, who has served as a Non-executive Director of DGL since April 2009, has advised the Board of his decision to retire as a Director following today's Annual General Meeting. On behalf of my fellow Directors and DGL shareholders, I would like to publicly acknowledge and thank Geoff for his valuable counsel and contribution to the company as a Director.

I would also like to take this opportunity to advise that I will be stepping down as Chairman of Decmil Group Limited on 1 December 2011. I will remain on the Board as a Non-executive Director.

I am pleased to announce that the Board has appointed Mr Giles Everist as Chairman with effect from 1 December 2011.

While it has been my honour to serve as your Chairman, as the Group moves forward to the next phase of its development through the continued operation of its existing business and the execution of its growth strategy, I feel it is the appropriate time to relinquish the Chairmanship to Giles.

As I previously described, Giles was formerly Chief Financial Officer and Company Secretary of Monadelphous Group Limited between 2003 and September 2009. He joined the DGL Board as a Non-executive Director in January 2010.

Giles has more than 17 years' experience in the resources and engineering services industry and he has both the expertise and experience to lead the Board. I am confident will make an outstanding Chairman. Congratulations Giles.

The Board has also recently instigated a comprehensive search for suitably qualified and dedicated directors with construction management, mentoring and governance skills. Discussions have been held with a number of candidates and the company looks forward to announcing the appointment of a new director.

CLOSING

Before 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, on your behalf, thank them all for their continued efforts.

DGL continues to deliver on its stated objective to be Australia's leading diversified construction company, delivering sustainable growth through our sustained focus on all relationships.

The Group's 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.

I will now ask Scott to present an overview of the business highlights, operations and provide commentary on our strategy and outlook.

DECMIL GROUP LIMITED 2011 ANNUAL GENERAL MEETING

Managing Director's Address Scott Criddle

Good morning ladies and gentlemen. It is my pleasure to have this opportunity to provide an update on DGL's achievements in the 2010/11 financial year and outline the Group's strategy for future growth.

RECORD SALES PERFORMANCE

As reported, the Group achieved record sales of \$394.2 million for the year which was a 20 percent increase on the previous year. This increase was driven by our continued strong service performance to national and international blue-chip customers in the Resources and Oil & Gas sectors.

As a consequence of the volatile economic conditions, a number of companies elected to delay the start-up of major projects and associated award of contracts during the year, Decmil expects these projects will commence in the near term.

Despite this, Decmil Group Limited continued to be one of Australia's fastest growing building and construction companies and secured \$360 million in new contracts and contract extensions on existing projects.

I would like to ensure our shareholders understand that DGL is not pursuing 'growth for growth's sake'. In a highly competitive tender environment the Group has, and will continue to, been disciplined in maintaining economic margins on works it tenders for.

Last month, Decmil Australia was also awarded a contract for approximately \$70 million for design, supply and install the Fly Camp for the \$29 billion Chevron-operated Wheatstone LNG Project. We will start work on this contract shortly.

OIL & GAS SECTOR GROWTH

In recent years, DGL has executed a diversification strategy that builds to consolidate its position in the Oil & Gas sector which was identified as a key strategic target area in our comprehensive strategic review.

DGL has generated increasing revenues from this sector over the last three years. As well as the size of contracts awarded in this sector due to the size of the projects, capex is "locked-in" once the final investment decision is made and workflow is less susceptible to commodity cycle fluctuations than for Resources projects.

Decmil has successfully worked on all Western Australia's major Oil & Gas projects including:

- **Gorgon** a \$43 billion project for Chevron, \$200+ million work completed to date
- **Pluto** a \$13 billion project for Woodside, \$400+ million work completed to date, and
- the **North West Shelf Project** for Woodside with \$30+ million in works completed.

CURRENT PROJECTS

Before discussing our activities to further diversify our business to deliver future growth, I would like to present an overview of projects currently underway.

- **Gorgon Construction Village**

CLIENT	Chevron
VALUE	Total JV contract \$700m+ (Decmil \$233 million)
DETAILS	Construct 4,000 person village on Barrow Island

- **Gorgon LNG Project - Site Preparation**

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

- **Karntama Accommodation Village - Stages 1 & 2**

CLIENT	Fortescue Metals Group
VALUE	\$146 million
DETAILS	Design and construct 1600-person resort style village

- **Warrawandu Village**

CLIENT	BHP Billiton
VALUE	\$83 million
DETAILS	Design and construct 1080-person village & EPCM facilities

- **Wheatstone LNG Project**

CLIENT	Chevron
VALUE	\$70 million
DETAILS	Design, supply and install Fly Camp

PEOPLE

It's great people that create a great company and DGL recognises it is our employees' ability to sustainably apply their talents and energy to deliver on the Group's objectives that continues to be our primary source of competitive advantage.

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

To support the delivery of DGL's strategic growth target our core business, Decmil Australia, significantly strengthened its Executive Management Team with several key appointments during the year.

Mr Brenton Akehurst was appointed as Decmil Australia's General Manager Queensland. Brenton has more than 15 years' experience in the engineering and construction industry and will oversee Decmil Australia's expansion into Queensland and the Northern Territory.

This was followed by the appointment of Mr Ray Sputore as Decmil Australia's Managing Director in April 2011. Ray has extensive experience in the engineering and construction industry, having served as Leighton Contractors' General Manager – Western Region from 2002 to 2011, and prior to that in both operational and senior executive roles with Transfield Pty Ltd over 28 years. He has made an outstanding contribution to Decmil over the past 6 months across all areas of the business.

Attracting executives with Brenton's and Ray's experience was a coup for the Group and I am confident they will be instrumental in the company's future success.

Decmil Australia also invested to ensure it has strong estimating and project management capabilities to manage current and, importantly, future contracts.

There is strong demand for professionals with estimating and project management capabilities and Decmil has been proactive to ensure it has the right people onboard to deliver future requirements when they are required.

Reported employee numbers were lower at the year-end but this was due to workflow at this time. Since then, numbers have increased to 786 in line with requirements.

Labour market conditions are expected to tighten as a number of projects advance. The Group has made a significant investment in strategies to strongly position the company as an employer of choice during the year. The internet is increasingly being used by potential employees to search for jobs and Decmil Australia has a high ranking in internet searches.

As well as attraction strategies, Decmil has developed a suite of retention strategies.

SAFETY PERFORMANCE

A key operational highlight I am proud to report on is the company's health and safety performance which significantly improved during the year. This is a core focus across every aspect of our business.

No serious injuries were reported during the year and the Group recorded a Total Recordable Incident Frequency Rate (TRIFR) of 5.29, a significant improvement on the previous year. In addition, Decmil recorded almost 3 million working hours Lost Time Injury Free.

To drive health and safety performance improvement, Decmil developed and introduced an integrated safety and health program entitled SHIELD - which stands for *Safety and Health in Every Level at Decmil* - across the business in March 2010. The program requires a personal commitment from all individuals at all levels to take ownership for the safety. I'm proud to report that this program received a safety award in the category of the "Best workplace safety and health management system" earlier this year.

The company also achieved the GOLD Safe Way Achiever Award from IFAP for an audit of its Health and Safety Management system.

Health and safety is important to Decmil, the companies we work with, our clients and the community. We will continue to invest in workforce training in pursuit of our 'zero harm' philosophy.

COMMUNITY COMMITMENT

Decmil supports initiatives that help to create healthy, vibrant and cohesive communities including grass roots activities aimed at building and maintaining the foundations of a community.

A key initiative that we announced last week was the signing of a five year strategic alliance between Decmil Australia and Nyimarr to deliver multiple building and civil Joint Venture projects throughout the Kimberly Region.

Nyimarr is a commercial entity established by Traditional Owners, the Goolarabooloo Jabirr Jabirr claim group, and is responsible for developing sustainable business for Kimberley communities.

The Nyimarr Decmil Strategic Alliance agreement was signed in Broome last week and is the culmination of two years' endeavour by the signatories to establish a working relationship and develop a business model that is both aligned with the culture of the two organisations and is mutually beneficial.

The alliance also strongly positions Decmil Australia to deliver building and construction works related to projects in the Western Australian Government's LNG Precinct to process gas resources in the Browse Basin onshore at James Price Point, north of Broome.

Decmil Australia is expanding its operations in the Kimberley Region and will work with Nyimarr to maximise the benefits back to its community through funds made available to Traditional Owners over the 30 year life of the proposed LNG projects. The alliance will also allow Decmil to also assist in the development of strong, economically independent Aboriginal industries.

The Nyimarr Decmil Strategic Alliance 5-year plan has identified target Government, Private and Resource project opportunities in the Kimberley Region. It sets both commercial and social KPIs which will enable the Alliance to deliver outstanding construction project outcomes, while maximising benefits including education, training, business development and employment to the region's Indigenous community.

GROUP STRATEGY UPDATE

Let me now turn to achievements in implementing our corporate strategic plan which as developed plan following a comprehensive strategic review of its operations in 2010. Central to the Group's strategy is to leverage the leading position and reputation Decmil Australia with major Resources and Oil & Gas companies in Western Australia's Pilbara region.

Decmil is competitively positioned to perform strongly in its target markets with few competitors capable of servicing our target contract size of more than \$100 million.

We have a proven business model which leverages early contractor involvement. Our success is founded on a **‘Whole of Project Lifecycle’ model** where we are onsite to build the fly camp or construction village, transition to complete civil works, and then construct the non-process infrastructure.

This model has allowed Decmil to build a reputation for delivering a high quality of work and demonstrate our strength in project management and how we can adapt our processes and systems for client-specific needs.

Importantly, it allows the company to build and maintain strong client relationships. Working alongside our clients across each stage means we understand their specific business drivers and operational constraints.

Positive client relationships, which have been central to Decmil’s success for more than 30 years, continues to be a cornerstone of our business today.

It is the combination of our quality of work, project management strength, adaptability and sustained respect for the relationships we have with clients that consistently results in the award of additional contracts and “repeat work”.

COMPANY CAPABILITIES

During the year, Decmil continued to focus on strengthening relationships with customers, service expansion, growing a recurring revenue base and diversifying our business

As part of our strategic plan we are pursuing our short-term objective of leveraging our expertise and experience in the Resources and Oil & Gas sectors in Western Australia into the growth markets of Queensland and Northern Territory.

In execution of our diversification strategy we are expanding into the infrastructure sector, in particular to complete civil works associated with road construction and water projects.

Our expertise in the design and construction of accommodation facilities will also be leveraged to ‘build, own, and operate’ villages for Resources and Oil & Gas clients.

We are pursuing a number of options including offering clients the options of:

- Build Operate (BO),
- Build Own Operate (BOO) and
- Build Own Operate and Transfer (BOOT)

Under our offering, we will obtain facility management partners, structure finance, coordinate the design and deliver the project

Acquisition opportunities that align with our strategic initiatives will also be considered by the company.

PROJECT PIPELINE

The Australian Bureau of Agricultural and Resource Economics and Sciences’ (ABARES) 5-year forecast has identified major project capex of \$345 billion across 267 projects.

These projects are predominantly in the iron ore, coal and LNG industries in Western Australia, Queensland and the Northern Territory.

Decmil has identified \$4 billion in projects in its key target sectors of Resources and Oil & Gas expected to be awarded in the remainder of the 2011/12 financial year.

OUTLOOK

In closing, I would like to make a few comments on the outlook for DGL.

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 record 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 many of which have recently announced they are proceeding with significant investment in new and existing projects.

The outlook for 2011/2012 continues to be positive and we expect to deliver double digit growth in full year profit after tax.

Prospects in the short to medium-term remain positive with tendering activity across all markets continuing at high levels for committed and planned investment in iron ore, coal and LNG developments.

DGL is strongly positioned to capitalise on opportunities through our broadening market exposure, our reputation and the strength of our customer relationships,

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, provides DGL with significant confidence to successfully capitalise on the strong pipeline of opportunities.

Thank you.

– ENDS –

A construction worker in a yellow high-visibility shirt and white hard hat stands on a large, light-colored concrete structure. The structure is supported by a complex system of green metal beams with circular holes. In the background, other workers and construction equipment are visible under a clear blue sky. The image is framed by a large blue diagonal shape.

2011

ANNUAL GENERAL MEETING

Board of Directors



Denis Criddle Non-Executive Chairman

Founder of Decmil Australia Pty Ltd which was acquired by Decmil Group Limited in July 2007.

A civil engineer with more than 30 years' experience in the civil construction and maintenance.



Geoff Allen Non-Executive Director

Former Director of Multiplex Constructions from 1969 to 2003. Held various roles including Managing Director and Deputy Chairman from 1989 to 2003.

Chairman of Nomad Building Solutions from ASX listing to 2008.



Giles Everist Non-Executive Director

Formerly the CFO and Company Secretary of Monadelphous Group Limited from 2003 to 2009. More than 17 years' experience in the resources and engineering services industry.

Held financial executive roles with Rio Tinto in the UK and Australia and Flour Australia.

Director of LogiCamms Ltd.



Bill Healy Non-Executive Director

Director and shareholder in Sealcorp Holdings from 1985 which then established and developed the diversified financial services group. Sealcorp acquired by St George Bank in 1997. Remained on Board until 1999.

Founding director and Chairman of BOOM Logistics Ltd.



Lee Verios Non-Executive Director

Formerly a partner in the international law firm Norton Rose, Lee is an experienced commercial and property lawyer.

He also has broad experience as a company director, and is currently Chairman of Port Bouvard.



Scott Criddle CEO & Managing Director

Has held the role of Chief Executive Officer since July 2009 and was appointed Managing Director in April 2010.

He has more than 15 years' experience in the civil construction and engineering industry.

A construction worker in a yellow high-visibility shirt and white hard hat stands on a large, light-colored concrete structure. The structure is part of a larger building under construction, with a complex network of green metal scaffolding and support beams visible. The background is a clear blue sky. The image is framed by a large, dark blue diagonal shape that contains the text.

2011

ANNUAL GENERAL MEETING

Financial Highlights

		FY 11	FY 10*	Change
Revenue	\$m	394.2	329.0	+20%
EBITDA	\$m	35.4	29.9	+18%
NPAT	\$m	23.5	19.0	+24%
NPAT Margin	%	6.0	5.7	+5%
Operating Cash Flow	\$m	28.9	31.4	-8%
EPS (Basic)	cps	18.9	15.5	+22%
Return on Equity	%	20.6	21.0	-1.9%
Maiden Dividend	cps	6.0	NA	

**Above figures relate to continuing operations*

Strong Cash Position

			FY 11	FY 10	Change
Gross Cash		\$m	64.4	52.9	+22%
Debt		\$m	7.9	5.7	+38%
Net Cash Position		\$m	56.5	47.2	+20%
Bank Guarantees & Performance Bonds	Utilised	\$m	66.3	57.1	+16%
	Available	\$m	72.2	35.4	+104%
CAPEX		\$m	4.0*	5.8	-31%

- Healthy cash levels maintained to fund future growth
- Debt levels remain low
- Increased bonding facilities to support future growth strategy
- Low capex business

* Excludes building purchase



Share Price Performance

Share Price Performance

1 July 2010 - 30 June 2011



- In September 2011, **DGL** added to the **S&P/ASX 300 Index**

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2011

ANNUAL GENERAL MEETING

Board Changes



Denis Criddle
Non-Executive
Chairman



Geoff Allen
Non-Executive
Director



Giles Everist
Non-Executive
Director



Bill Healy
Non-Executive
Director



Lee Verios
Non-Executive
Director



Scott Criddle
Managing Director
& CEO

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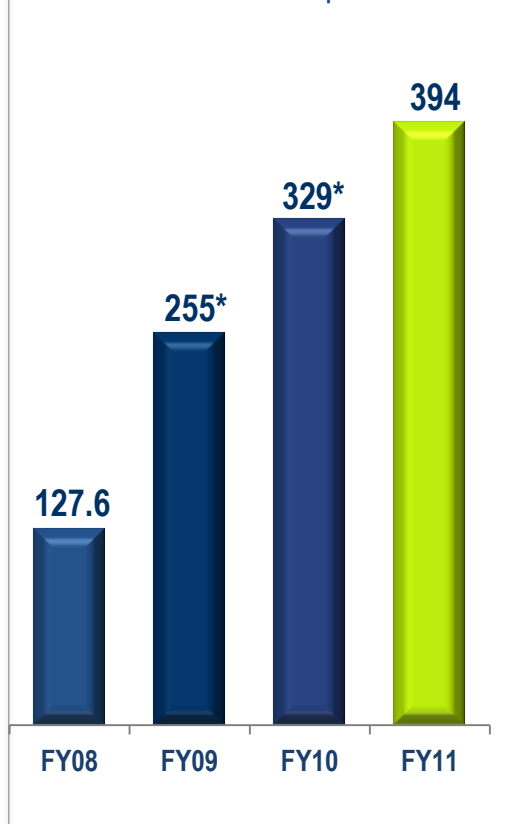
2011

MANAGING DIRECTOR'S
ADDRESS



Revenue Growth

Sales Revenue \$m

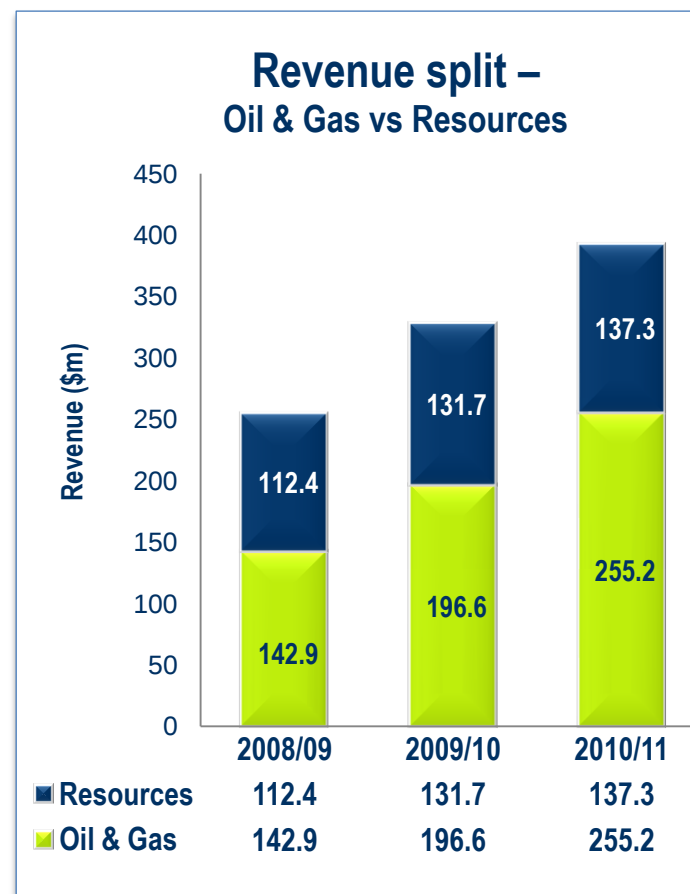


*FY figures relate to continuing operations

- **Record sales** of \$394.2 million for the year
- **20 percent increase on** previous year
- **One of Australia's fastest growing** building and construction companies
- **\$360 million in new contracts and contract extensions** on existing projects
- **Disciplined approach** to maintaining economic margins on tenders
- **Strong pipeline of future tenders**

Oil & Gas sector – Delivering on the Strategy

- Oil & Gas sector key strategic target area
- Generated increasing revenues over last 3 years
- Oil & Gas project capex “locked-in post FID” – hence **less susceptible to commodity cycle fluctuations** than Resources projects
- Decmil has successfully worked on all WA’s major Oil & Gas projects including:
 - **Gorgon** (\$43 billion project) for Chevron (\$200+ million work to date)
 - **Pluto** (\$13 billion project) for Woodside (\$400+ million work to date)
 - **North West Shelf** for Woodside (\$30+ million)





Pluto LNG Project

CLIENT **Woodside Energy**

VALUE **\$400+ million**

DETAILS Supply and install concrete foundations and pedestals, in-ground electrical & hydraulic services. Construction of temporary site facilities & misc civil works.

Gorgon Construction Village

CLIENT	Chevron
VALUE	Total JV contract \$700m+ (Decmil \$233 million)
DETAILS	Construct 4,000 person village on Barrow Island



Gorgon LNG Project - Site Preparation

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



Karntama Accommodation Village - Stages 1 & 2

CLIENT	Fortescue Metals Group
VALUE	\$146 million
DETAILS	Design and construct 1600-person resort style village

Current Projects

Warrawandu Village

CLIENT **BHP Billiton**

VALUE **\$83 million**

DETAILS Design and construct 1080-person village & EPCM facilities



Wheatstone LNG Project

CLIENT **Chevron**

VALUE **\$70 million**

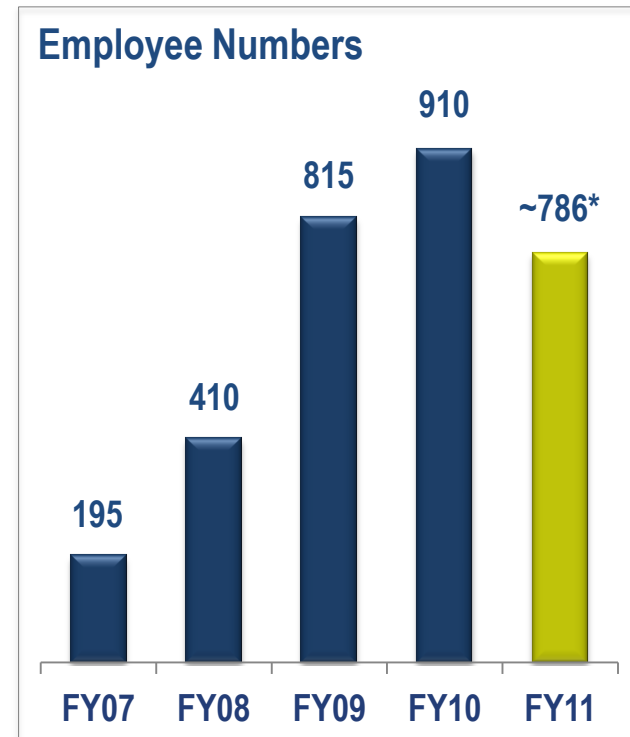
DETAILS Design, supply and install Fly Camp





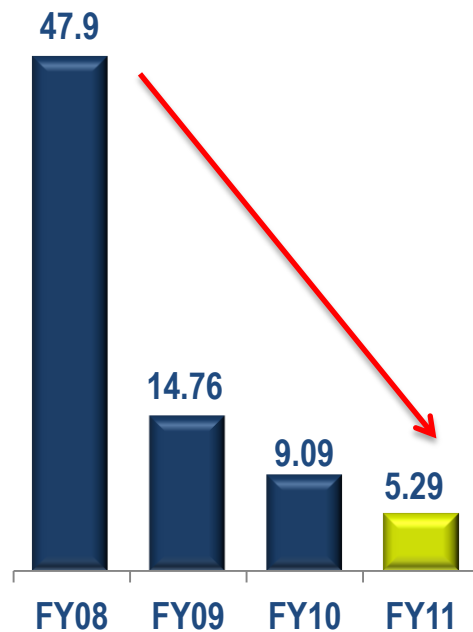
People

- Key management appointments
- **Strong estimating and project management capabilities** in line with future projects pipeline
- **Employee numbers to increase** in line with work flow
- **Labour market conditions** expected to tighten
- **Active attraction and retention strategies**



*At October 2011

Safety Performance (TRIFR)



TRIFR = Total Recordable Incident Frequency Rate

- **No serious injuries**
- Total Recordable Incident Frequency Rate (**TRIFR**) of 5.29, **58 % improvement**
- Recorded almost **3 million working hours Lost Time Injury Free**
- Achieved **GOLD Safe Way Achiever Award** from IFAP for audit of Health and Safety Management system
- Continued **investment in workforce training** to achieve 'zero harm' target





- Decmil supports initiatives that **help to create healthy, vibrant and cohesive communities**
- **5-year Nyimarr Decmil Strategic Alliance** to deliver multiple building and civil Joint Venture projects throughout the Kimberly Region
- Targeting **Government, Private, Resource and Oil & Gas** project opportunities in Kimberley



2011

GROUP STRATEGY - UPDATE

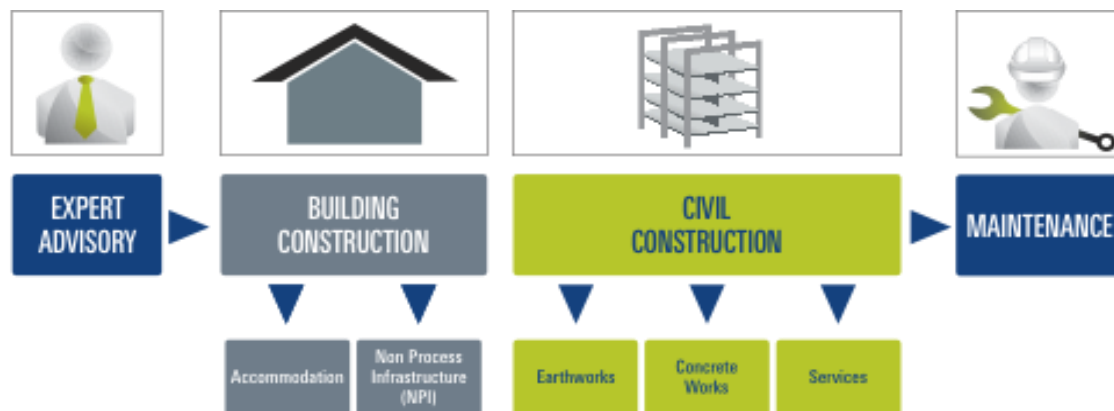


Competitive Positioning

DGL's competitive positioning is derived from:

- **Proven business model**

- early contractor involvement
- '*Whole of Project Lifecycle*' model - onsite for village, transition to civil works, then non-process infrastructure



- **Reputation for quality of work, project management and maintaining strong client relationships**

- understand clients' business drivers and highly responsive to clients' needs
- adaptive processes & systems for client-specific needs
- consistently awarded "repeat work"

Company Capabilities

EXISTING

+

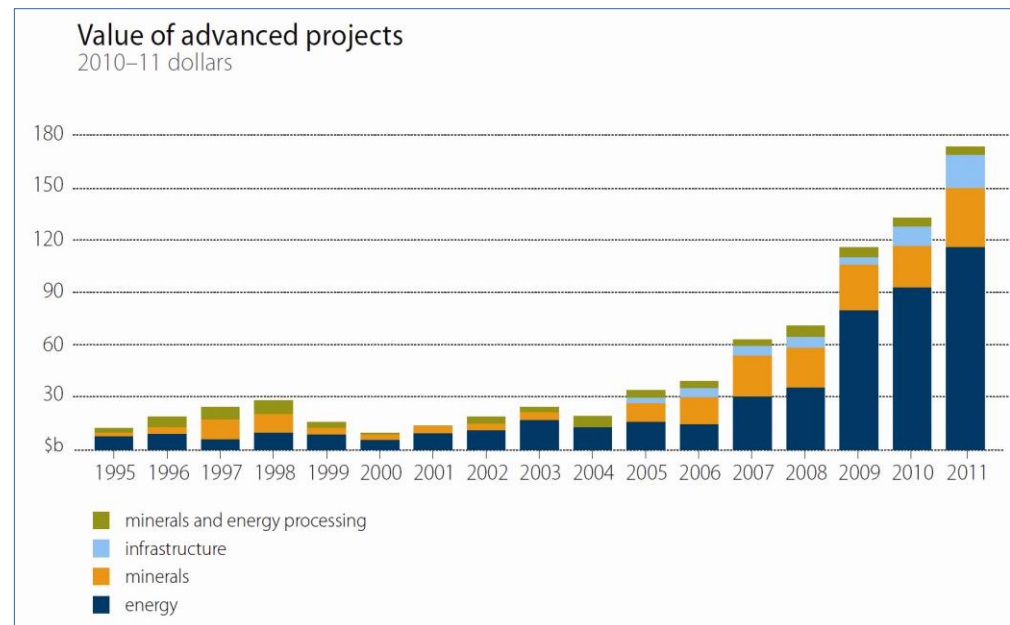
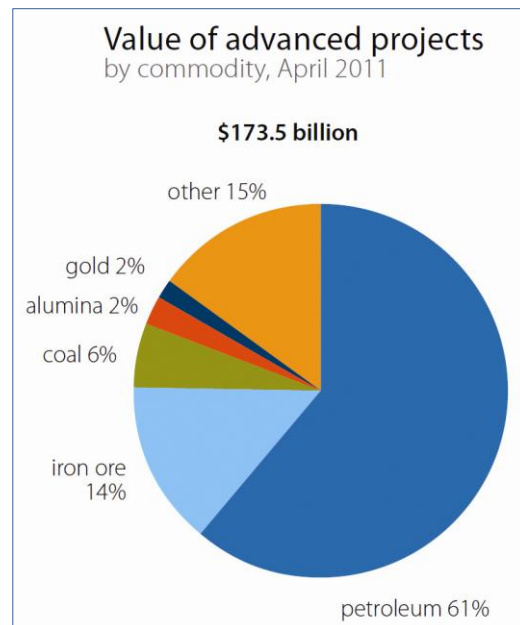
DIVERSIFICATION

CIVIL CONSTRUCTION	BUILDING CONSTRUCTION	
	Non-Process	Accommodation
		
Small & large-scale brownfield greenfield civil concrete	Industrial buildings, plants, storage facilities & workshops	Design & construct permanent and temporary accommodation facilities
Resources Oil & Gas	Resources Oil & Gas Government	Resources Oil & Gas

INFRASTRUCTURE	MAINTENANCE & OPERATIONS
	
Civil infrastructure services	Build, own and operate accommodation villages
Resources Oil & Gas Government Utility Providers	Resources Oil & Gas

Project Pipeline

- **DGL key sectors – Mineral Resources and Oil & Gas**
- **North West Australia – currently very strong project pipeline**
 - Oil & Gas – Gorgon, Wheatstone, Browse
 - Iron Ore – RGP6, Rio 330 expansion, FMG
- **Very strong increase in Oil & Gas (energy) projects**
- **Lift in iron ore projects**

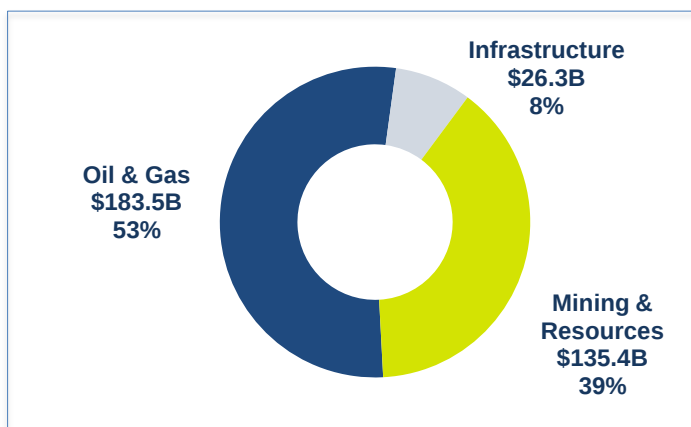


Project Pipeline

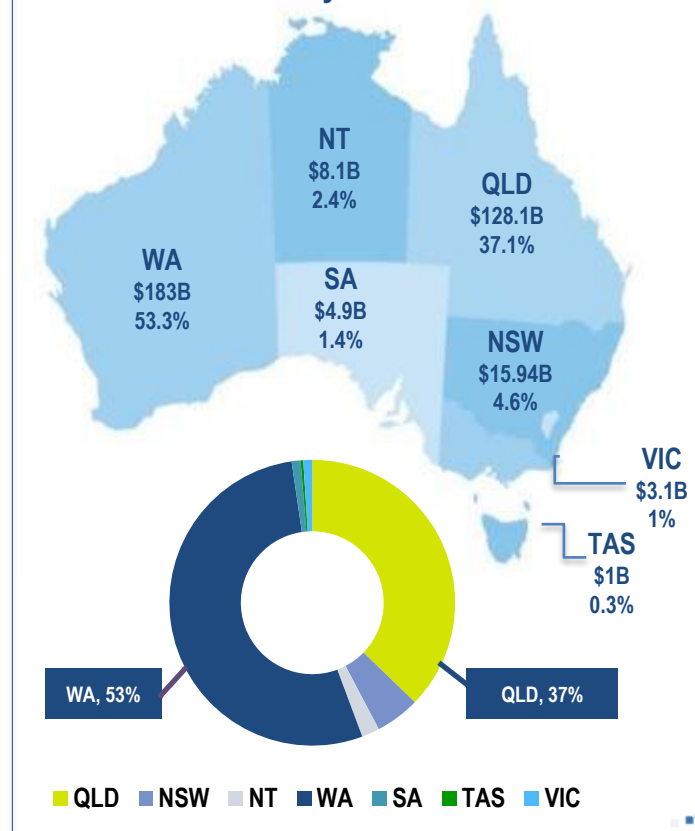
- 5 year forecast - major project capex is A\$345 billion across 267 projects
- Strength in iron ore, coal and LNG

CAPEX Forecast Australia (2011 – 2016)

Resources	\$135.3B
Oil & Gas	\$183.5B
Infrastructure (rail, port & terminal)	\$26.3B
Total CAPEX	\$345.1B
Committed	\$129B
Not Yet Committed	\$216B



Australian CAPEX by State



Source: ABARE April 2011 Minerals & Energy – Major Development Projects



Project Pipeline

- **Strong near-term project pipeline** in key target sectors
- Decmil **leveraged** to significant **pipeline of work for LNG and iron ore expansion**
- **More than \$4.01b in contracts** to be **awarded in over the next year**

	CLIENT	PROJECT	TYPE	CONTRACT VALUE	AWARD TIMING*
WA	BHP Billiton	RPG6, RGP6A, Quantum	Village, Civils, NPI	\$600m	Mid 2012
	Rio Tinto	Expansion to 283mtpa	Civils, NPI	\$250m	Mid 2012
	Chevron	Wheatstone	Civils, NPI	\$500m	Mid 2012
	Woodside	Browse	Village, Civils, NPI	\$1.5b	2013
	Hancock	Roy Hill	Village, Civils, NPI	\$500m	Mid 2012
	API (Aquila)	API JV	Village, Civils	\$300m	Mid 2012
QLD	BMA	Caval Ridge Mine	Village, Civils, NPI	\$150m	Early 2012
	Xstrata	Wandoan	Village	\$100m	Mid 2012
	Hancock Coal	Alpha	Village	\$110m	Mid 2012
TOTAL				\$4.01 billion	

*Timing subject to client change

2011

POSITIVE OUTLOOK



A construction worker in a yellow high-visibility shirt and white hard hat stands on a large, light-colored concrete structure. The structure is part of a larger building under construction, with a complex network of green metal scaffolding and support beams visible. The background is a clear blue sky. The image is framed by a large, dark blue diagonal shape that contains the text.

2011

ANNUAL GENERAL MEETING