Decmil Group Limited

29 May 2012

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

By ASX Online

2012 INVESTOR PRESENTATION

Please find attached a copy of slides for a presentation which will be delivered today to potential investors in Paris.

Yours faithfully

J. Campbell

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ASX DCG
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2012

INVESTOR PRESENTATION

POSITIONED FOR FURTHER GROWTH

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COMPANY OVERVIEW

Decmil Group Limited (ASX:DCG) is a multi-disciplined design, civil engineering and construction company focussed on delivering integrated solutions to blue-chip clients in the oil and gas, resources and infrastructure sectors in Australia.

- **Strategic focus**
  - oil & gas
  - resources (iron ore, coal)
  - leveraged expansion into infrastructure (water, power, rail)
- **Geographic focus**
  - Western Australia north west (historical base)
  - Staged expansion into Queensland and Northern Territory
- **Contract size**
  - capable of delivering complex, multi-discipline projects
  - targeted contract size of 100^{+}m
- **Cornerstone to DGL success is our strong relationship with blue-chip clients and our strong reputation for project delivery of major projects**

bhpbilliton Chevron woodside RioTinto FMG WATER

DGL Decmil Group Limited

CORPORATE OVERVIEW

Share Price Performance
1 August 2010 - 30 May 2011

Capital Structure and Cash	
Shares on Issue	166.5m
Market Cap	$450m
Cash on Hand [1] at 31 December 2011	$107.7m
Debt at 31 December 2011	$16.8m

Top 5 Shareholders	
Mr Denis Criddle	13.01%
Acorn Capital	9.30%
Thorney Investment Group	8.09%
BT Investments	6.64%
CBA	5.28%

1. Includes balance of capital raising proceeds of $30m yet to be provided to MDJV

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COMPANY HISTORY

Decmil Pty Ltd (“Decmil”) has provided civil engineering, construction and maintenance services to the resources and oil & gas industries for 30+ years.

Founded in 1979, Decmil Australia initially provided construction contracting in Western Australia's Pilbara region and has been associated with almost all major mining and energy projects in North Western Australia.

June 2007

Decmil Australia sold to ASX-listed Paladio Group

June 2009

Paladio Group renamed Decmil Group to leverage Decmil Australia’s history, reputation and brand recognition

June 2010

DGL consolidated operations to focus on Decmil Australia (93% of revenues)

December 2011

DGL acquired 50% Shareholding in MDJV

CORE CAPABILITIES & STRATEGIC POSITIONING

COMPANY CAPABILITIES

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

Gladstone

EXISTING CAPABILITIES				+ DIVERSIFICATION
CIVIL CONSTRUCTION	**BUILDING CONSTRUCTION**		**MAINTENANCE & OPERATIONS**	**INFRASTRUCTURE**
	Non-Process	**Accommodation**	**Recurring earnings stream**	
				
Small & large-scale brownfield greenfield civil concrete	Industrial buildings, plants, storage facilities & workshops	Design & construct permanent and temporary accommodation facilities	Build-Own-Operate accommodation villages	Civil infrastructure services
Resources **Oil & Gas**	**Resources** **Oil & Gas** **Government**	**Resources** **Oil & Gas**	**Resources** **Oil & Gas** **Infrastructure Providers**	**Resources** **Oil & Gas** **Government** **Utility Providers**

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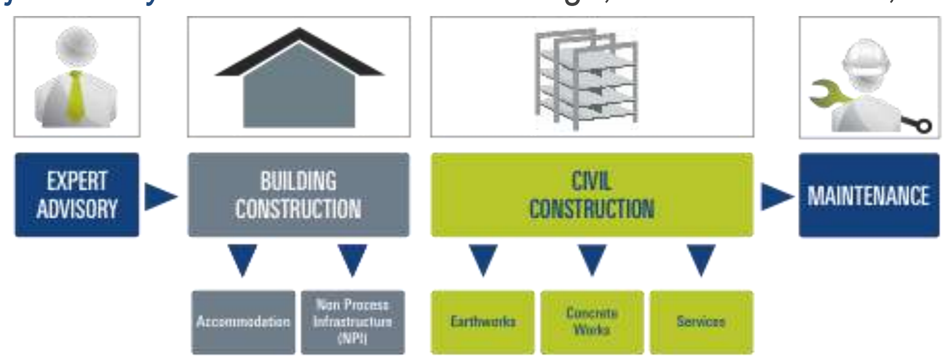
VALUE-ADD PROPOSITION

DGL delivers client value-add through:

- **Reputation for quality of work, project management and maintaining strong client relationships**
  - understand clients' business drivers, adaptive processes & systems for client-specific needs
  - consistently awarded "repeat work"
- **Highly responsive to clients' needs**
  - size and flat structure allows quick response in dynamic and competitive market
  - building and civil skill sets transferable across diversified sectors
  - Key trades all self-performed
- **Proven business model**
  - early contractor involvement
  - '*Whole of Project Lifecycle*' model - onsite for village, transition to civils, then non-process infrastructure

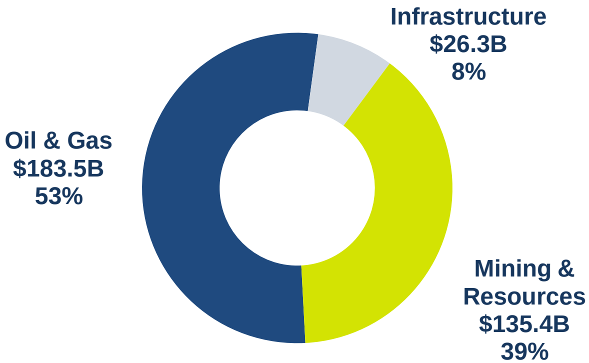


GEOGRAPHIC FOCUS & STRATEGIC GROWTH

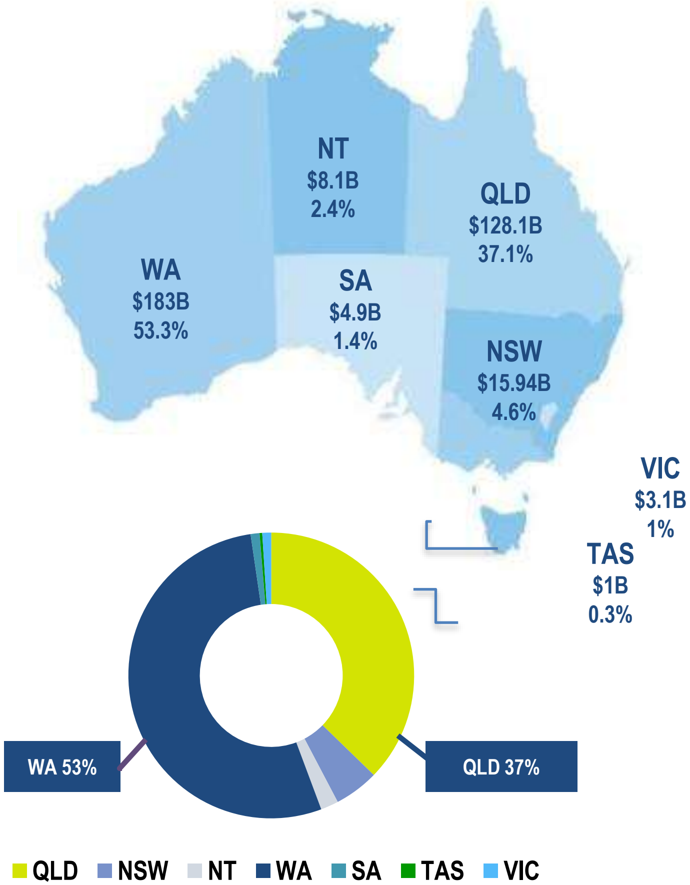
PROJECT PIPELINE

- 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

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GEOGRAPHIC DIVERSIFICATION

CURRENT DECMIL PROJECTS

WESTERN AUSTRALIA

1. Karntama Village (Fortescue Metals Group)
2. Gorgon Site Preparation (Chevron/Thiess)
3. Gorgon Village Accommodation (Chevron)
4. Pluto LNG, Civil (Woodside Energy)
5. Warrawandu (BHP Billiton)
6. Wheatstone Fly Camp 500 Person (Chevron)
7. Christmas Creek Airstrip (Fortescue Metals Group)

QUEENSLAND

8. Calliope Village (MDJV)
9. Buffel Park Village (BHP Billiton Mitsubishi Alliance - BMA)

MAJOR DEVELOPMENT AND INFRASTRUCTURE PROJECTS (current and planned)

WESTERN AUSTRALIA

A	Wheatstone LNG (Chevron)	$A29bn
B	Browse LNG (Woodside)	$A30bn
C	Iron Ore Expansion (BHP Billiton)	$US12.8bn
D	333 Expansion (Rio Tinto)	$US10.7bn
E	Roy Hill Iron Ore (Hancock Prospecting)	$A7.2bn

NORTHERN TERRITORY

F	Ichthys LNG (Inpex Darwin)	$A30bn NT

QUEENSLAND

G	Wiggins Island Coal Terminal (WICET)	$4bn Gladstone
H	Curtlis LNG (QGC/BG)	$15bn Gladstone
I	Gladstone LNG (Santos/Petronas/Total/Kogas)	$16bn Gladstone
J	Alpha Coal Project (Hancock Coal/GVKJV)	$7bn Galilee Basin
K	Dudgen Point Coal Terminals (Adani Mining and Dudgeon Point Project Management Pty Ltd)	$10bn 38kms south of Mackay

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

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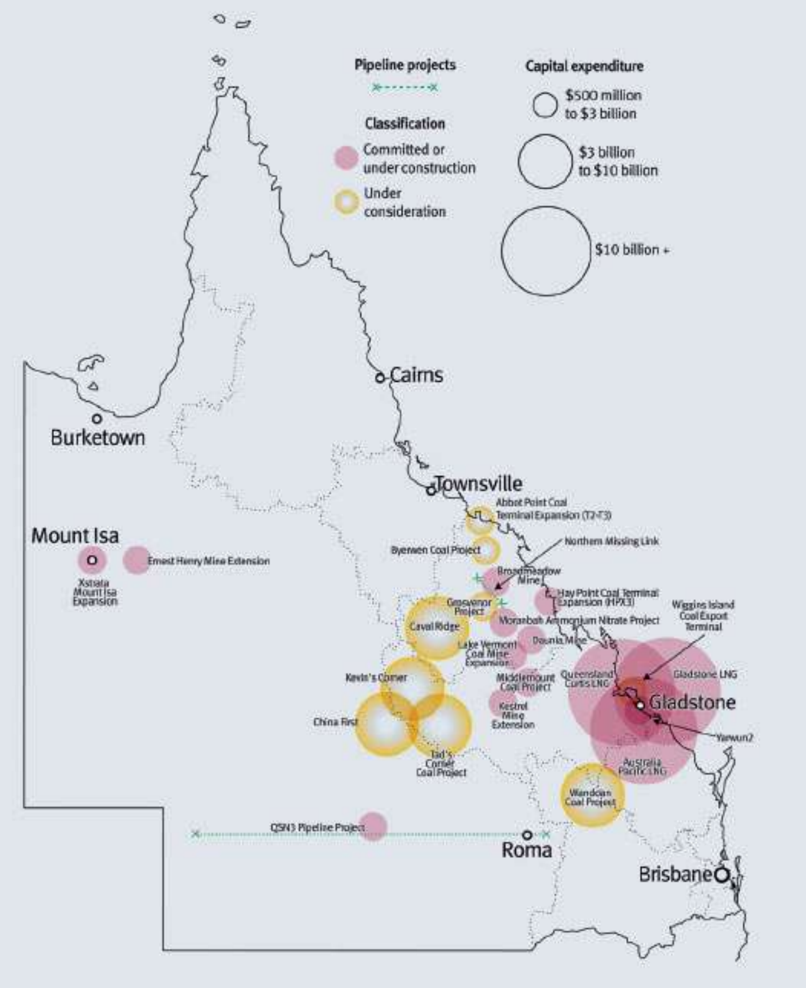
STRATEGIC GROWTH - QUEENSLAND



Queensland growth potential of the coal and LNG sector

Gladstone Region

undergoing massive infrastructure and resource project expansion

- Circa $55 billion in major engineering projects currently under construction
- Additional projects valued at $30 billion are proposed
- Large-scale infrastructure development to support incoming transport of resources from Bowen, Surat and Galilee Basins
- High demand for accommodation and projected to increase significantly over next 3 – 5 year period

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BUILD-OWN-OPERATE Accommodation Village, Gladstone QLD

Acquired a 50% interest in a 2,265 room accommodation village in Gladstone, Queensland

- **In December 2011, Decmil acquired a 50% interest in an Accommodation Village near Gladstone**
- **The Maroon Decmil Joint Venture (MDJV) will Build-Own-Operate up to 2,265 rooms in Calliope**
  - 20 hectare site, approximately 20km from Gladstone
- **Currently 240+ rooms (Stage 1) have been completed**.
  - Stage 2 construction of a further 432 rooms currently in progress with development approval in place for the total construction of 2,265 rooms
- **JV operation:**
  - Decmil Australia provide ongoing project management and the construction works
  - Maroon Group Catering to undertake day-to-day operation of the Village
- **Wiggins Island Coal Export Terminal Pty Ltd ("WICET") is the cornerstone tenant**
  - Take-or-pay accommodation agreement for 648 rooms for 3+ years, with options for 652 additional rooms
- **Targeted completion of the construction of 2,265 rooms is scheduled for mid-2013**


Accommodation unit, Village, November 2011


Village, November 2011


Communal facilities, Village, November 2011

Rationale for the acquisition

- ✓ Immediate and low-risk entry into Queensland regional construction market
- ✓ Early-mover position into Gladstone regional accommodation market
- ✓ Gladstone is the geographic centre of the infrastructure and resource related project expansion cycle underway in Queensland
- ✓ Diversification of Decmil's traditional geographic and client concentration
- ✓ Diversification of earnings stream providing a more defensive, maintainable earnings base via the take-or-pay accommodation agreements
- ✓ Strengthened margins for Decmil via JV earnings contribution
- ✓ High ROI and short payback period generating strong EPS accretion

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FINANCIAL PERFORMANCE

FINANCIAL HIGHLIGHTS

		HY 12	HY 11	Change
Revenue [1]	$m	**210.9**	233.7	-9.8%
EBITDA	$m	**19.5**	21.2	-7.9%
NPAT	$m	**13.0**	14.2	-7.9%
NPAT Margin	%	**6.2**	6.0	3.3%
Operating Cash Flow	$m	**29.6**	22.9	29.1%
EPS (Basic) [2]	cps	**10.17**	11.43	-11.0%
Interim Dividend	cps	**2.5**	NA	

1. Revenue lower for HY 2012 compared with previous corresponding period due to the delay in contract awards
2. EPS calculation reflects weighted average number of shares on issue increase as a result of additional 41.4M shares issued during the rights issue to fund the MDJV transaction

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STRONG CASH POSITION

			HY 12	HY 11	Change
Gross Cash [1]		$m	**107.7**	62.9	71.2%
Debt [2]		$m	**16.8**	6.1	175.4%
Net Cash Position		$m	**90.9**	56.8	60.0%
Bank Guarantees & Performance Bonds	Utilised	$m	**57.1**	70.3	-18.8%
	Available	$m	**107.9**	50.7	112.8%
CAPEX [3]		$m	**10.9**	2.4	354.2%

- Healthy cash levels maintained to fund future growth
- Minimal debt levels
- Bonding facilities increased to $165 million to support future growth strategy
- Operating business requires minimal capex

1. Includes balance of capital raising proceeds of $30M yet to be employed in the continued construction of the MDJV accommodation village
2. Increase in debt relates to the Office Building purchase
3. Capex includes office building and fit-out costs

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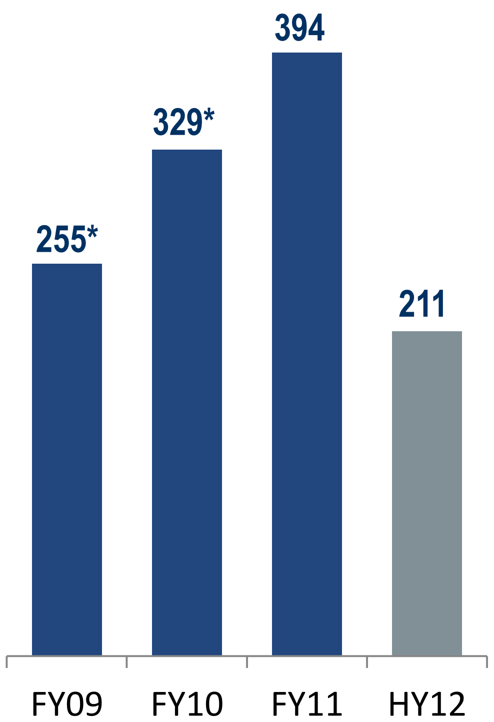
SOLID REVENUE

Sales Revenue $m

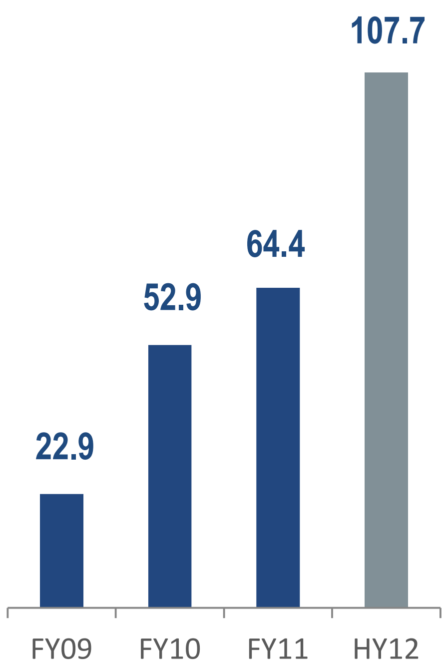


*FY figures relate to continuing operations

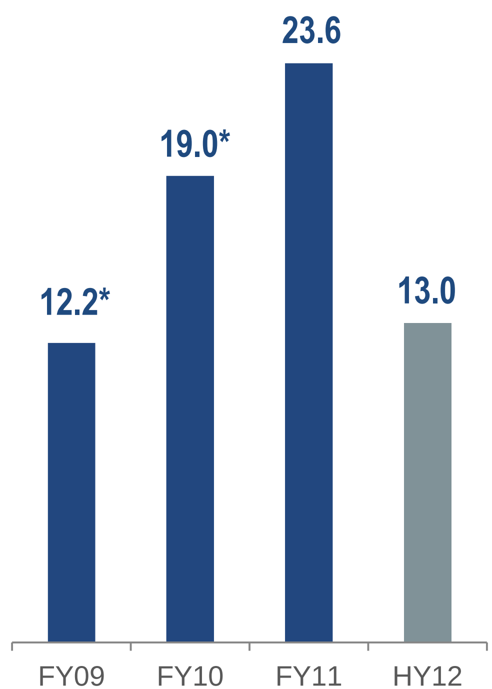
- **Strong revenues** of $210.9 million for the half year
- **One of Australia's fastest growing building and construction companies**
- **$280 million in new contracts and contract extensions on existing** projects to December 2011.
- **Disciplined approach** to maintaining economic margins on tenders
- **Strong pipeline of future tenders**

HISTORICAL PERFORMANCE

Cash on Hand $m

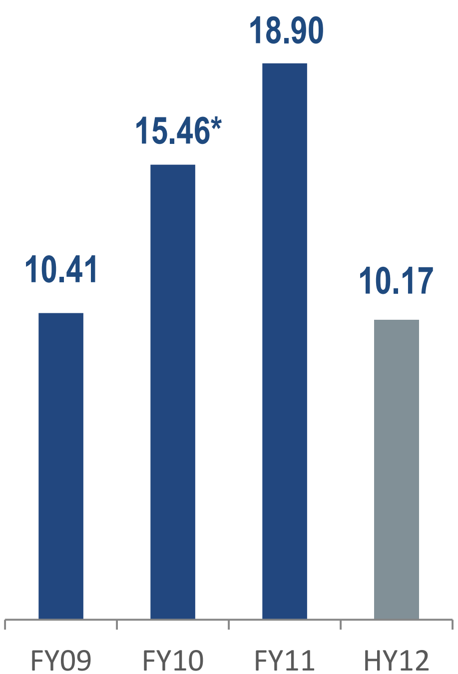


NPAT $m



* Normalised

EPS cents per share



* Normalised

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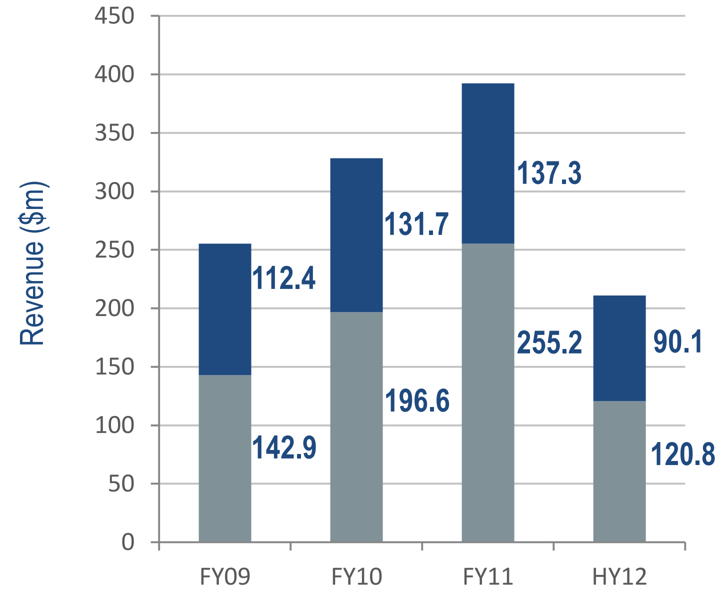
REVENUE DIVERSIFICATION

- **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)
  - **Wheatstone** ($29 billion project) for Chevron
    ($64m Fly Camp awarded October 2011)

Revenue split

Oil & Gas vs Resources



	FY09	FY10	FY11	HY12
Resources	44%	40%	35%	43%
Oil & Gas	56%	60%	65%	57%

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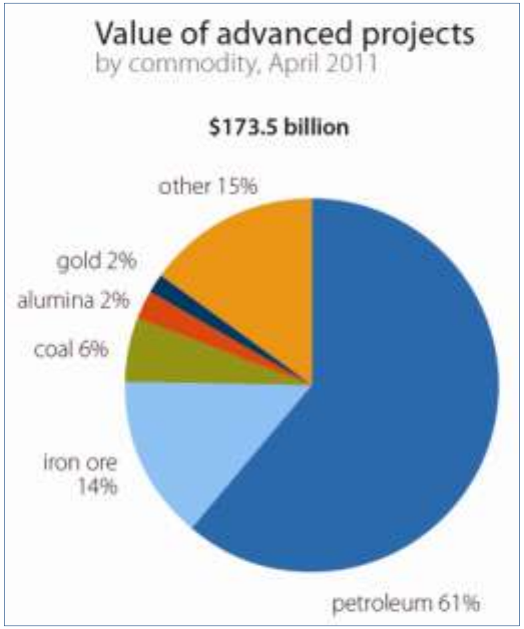
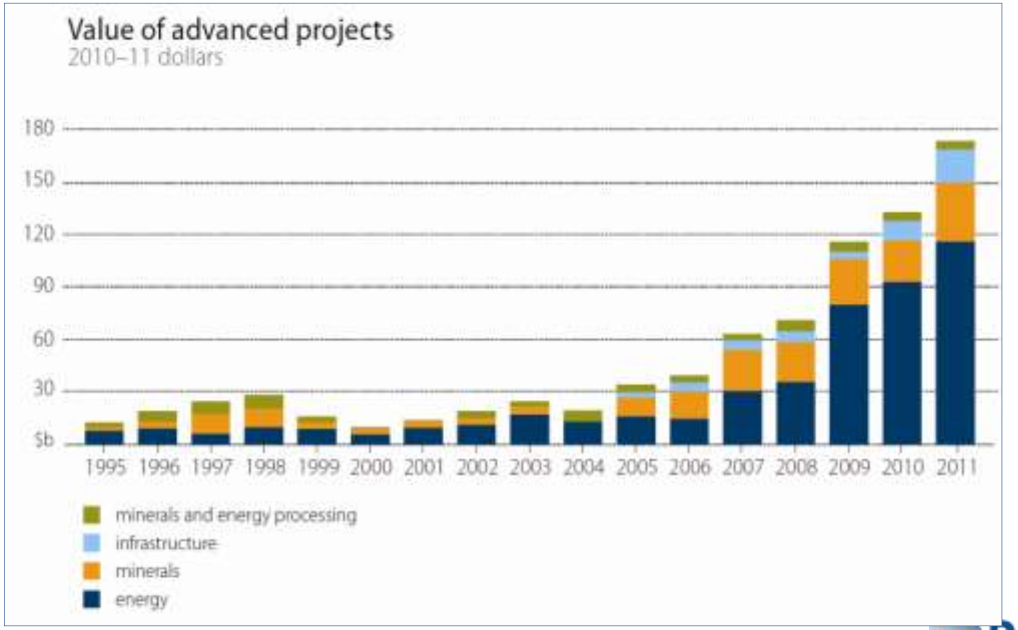
PROJECT PIPELINE

- **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**





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PROJECT PIPELINE

- **Strong near-term project pipeline** in key target sectors
- Decmil **leveraged to significant pipeline of work for LNG, iron ore and coal expansion**
- **More than $4.0b in contracts** to be **awarded**

	CLIENT	PROJECT	TYPE	CONTRACT VALUE	AWARD TIMING*
WA	FMG	Expansion Projects	Village	$150m	2012
	Chevron	Wheatstone	Civils, NPI	$500m	Late 2012
	Rio Tinto	Expansion to 283mtpa	Civils, NPI	$250m	2012/2013
	API JV	West Pilbara Iron Ore	Village, Civils, NPI	$300m	2012/2013
	BHP Billiton	RPG6, RPG6A, Quantum	Village, Civils, NPI	$1.0b	2012/2013
	Woodside	Browse	Village, Civils, NPI	$1.5b	2013
QLD	Xstrata	Wandoan	Village	$100m	Mid 2012
	Hancock Coal/GVKJV	Alpha Coal	Village	$110m	Mid 2012
	BMA	Caval Ridge Mine	Civils, NPI	$80m	2012
	TOTAL			**$4.0 billion**	

*Timing subject to client change

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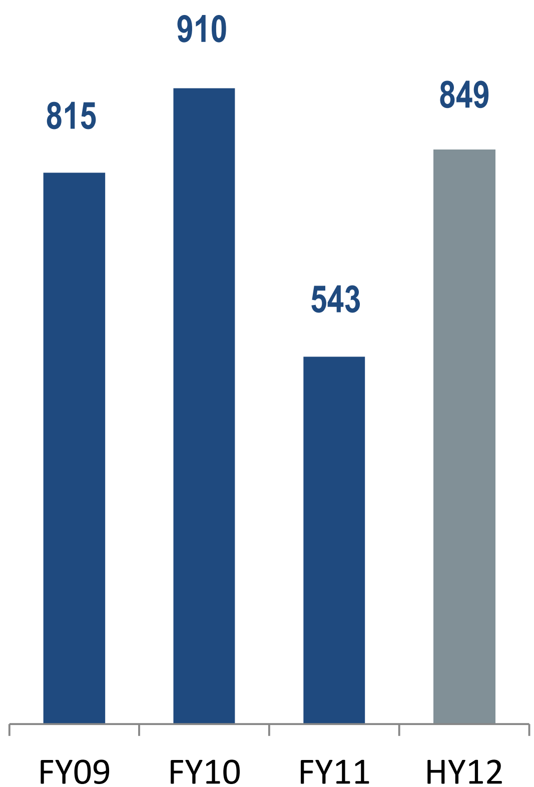
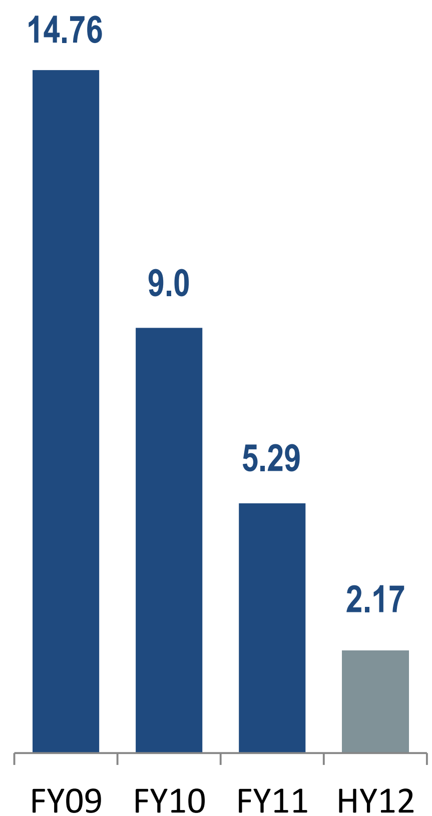
PEOPLE & SAFETY

- **Strong estimating and project management capabilities** in line with future projects pipeline
- **Labour market conditions** expected to tighten
- **Active attraction and retention strategies**
- **Exceptional safety performance**

Decmil Employee Numbers



Total Recordable Incident Frequency Rate (TRIFR)



SHIELD SAFETY & HEALTH PROGRAM

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CORPORATE ENTERPRISE

- **Continued investment to build enterprise systems and processes** facilitate a national enterprise with consistency across multiple regional locations
- **Enhanced Risk and Opportunity identification and management during project lifecycle**
- **Streamlined document management system and process**
  - Correspondence, quotation submission, vendor communication
  - Utilise online and ‘cloud’ environment
- **Consolidation of automated Project Controls** integrating
  - cost, time and performance into a single software
  - “Site Diary”

SITE DIARY

- **Development of a Human Resources Integrated System**
  - linking multiple HR Systems including payroll, travel, training and performance management in a single system
- **Investment in “Internet Protocol” communication system in state offices and most remote sites**
  - including video conferencing, delivering a cost effective collaborative solution across the entire business.

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STRATEGIC FOCUS & OUTLOOK

STRATEGIC FOCUS

- **Operating Performance**
  - Continue to attract, develop and retain the right people
  - Sustain strong operational performance and disciplined approach to capital management
  - Continuously improve management systems and processes to deliver value to clients and shareholders
- **Future Growth**
  - Maintain focus on organic growth in core markets in Western Australia
  - Identify and assess opportunities to leverage expertise and experience in core markets in Queensland and the Northern Territory
  - Continue to develop recurring revenue stream as part of diversification strategy
  - Increase focus on diversification into civil infrastructure services
    - power, water and roads

POSITIONED FOR FURTHER GROWTH

- **DGL enters 2013 well positioned for growth**
  - Record order book of $585M (May2012)
  - Significant activity on major projects with rapid mobilisation
  - Strong 2H and confident will achieve in excess of $500M revenue for FY12
- **Strong pipeline of new projects**
  - Positive short-term outlook in core sectors
  - Decmil has identified a $4.0 billion project pipeline
- **Focus on maintaining performance and profitability**
  - Elevated tender activity across all sectors, highly competitive environment
  - DGL will maintain a disciplined approach to new contract tenders with margins reflecting risk
  - Competition for labour expected to intensify, maintain focused programs targeting employee attraction and retention

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INVESTMENT PROPOSITION

- **Strategic leverage to ongoing committed resources and oil & gas project capital expenditure**
- **Strong exposure to large-scale project expansions by Tier 1 resources project owners BHP, Rio, Chevron, Woodside, FMG**
- **Key sectors**
  - Continued focus on core markets of:
    - Resources
    - Oil & Gas
  - Continued organic expansion into growth markets of:
    - Infrastructure
    - Maintenance and operations
- **Recurring Revenue**
- **Growth**
  - Organic in WA
  - Geographical expansion into QLD
  - Bolt on M&A
- **Strong outlook underpinned by contracted orderbook and record tender pipeline**

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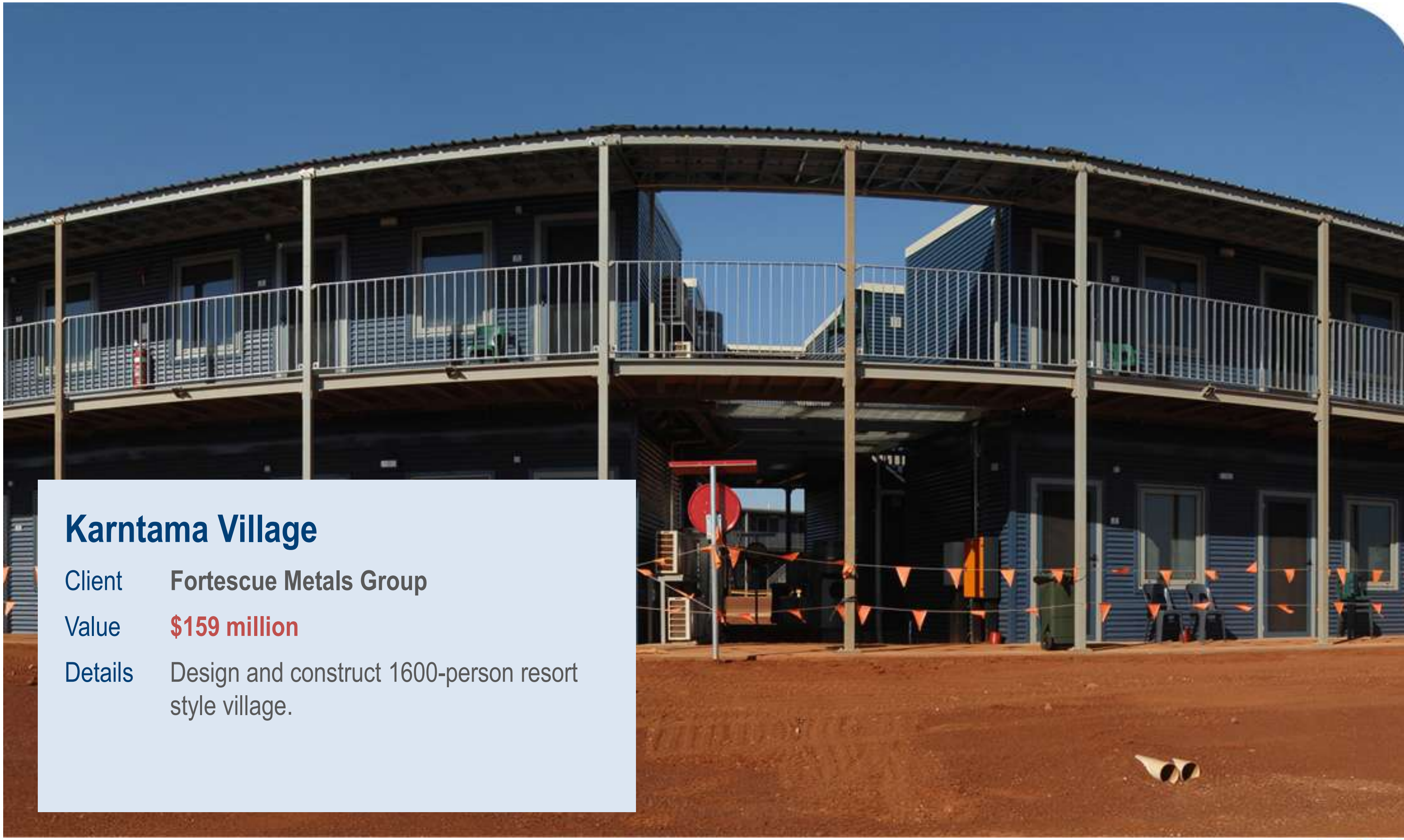
CURRENT PROJECTS



Karntama Village

Client	**Fortescue Metals Group**
Value	**$159 million**
Details	Design and construct 1600-person resort style village.

Gorgon Site Preparation

Client	**Chevron** (Thiess)
Value	**$74 million**
Details	Design and construct temporary construction warehouses, transportable buildings and workshops.

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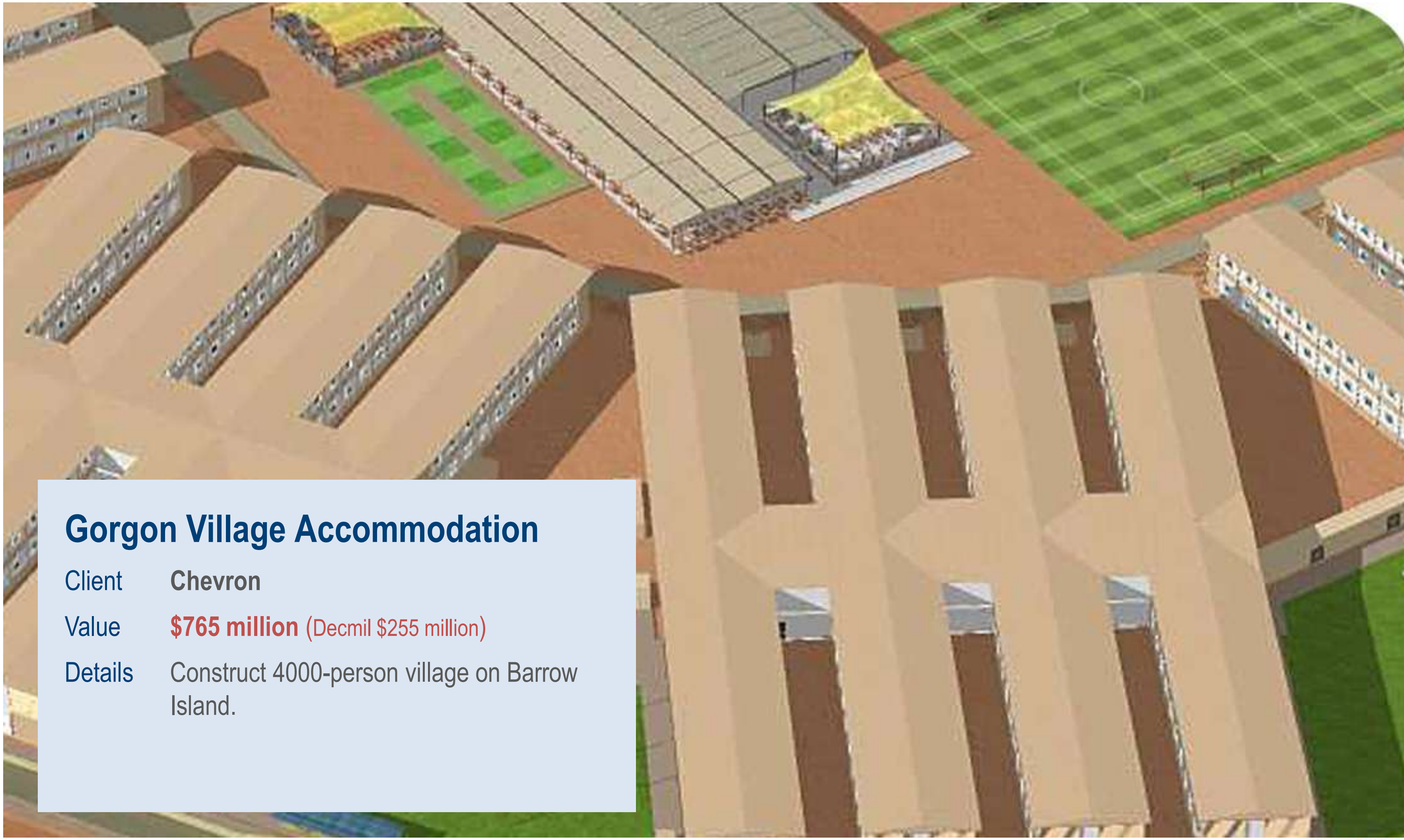
CURRENT PROJECTS



Gorgon Village Accommodation

Client	**Chevron**
Value	**$765 million** (Decmil $255 million)
Details	Construct 4000-person village on Barrow Island.

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CURRENT PROJECTS

Pluto LNG, Civil

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.

CURRENT PROJECTS

Warrawandu Village

Client **BHP Billiton**

Value **$120 million**

Details Design and construct 1080-person village and EPCM facilities.

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CURRENT PROJECTS

Wheatstone Fly Camp

Client	**Chevron**
Value	**$117 million**
Details	Design, supply and installation of a 502 room Fly Camp and central facilities including kitchen and offices, installation of utilities and waste water treatment plant.

CURRENT PROJECTS

Christmas Creek Airstrip

Client Fortescue Metals Group

Value $30 million

Details Design, procurement, construction and commissioning of a CASA compliant airport facility at Christmas Creek mine situated in the Pilbara region of WA.

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CURRENT PROJECTS

Calliope Village

Client	**MDJV**
Value	**$150 million**
Details	Design and construction of a 2265-person village including central facilities and amenities near Gladstone, Queensland.

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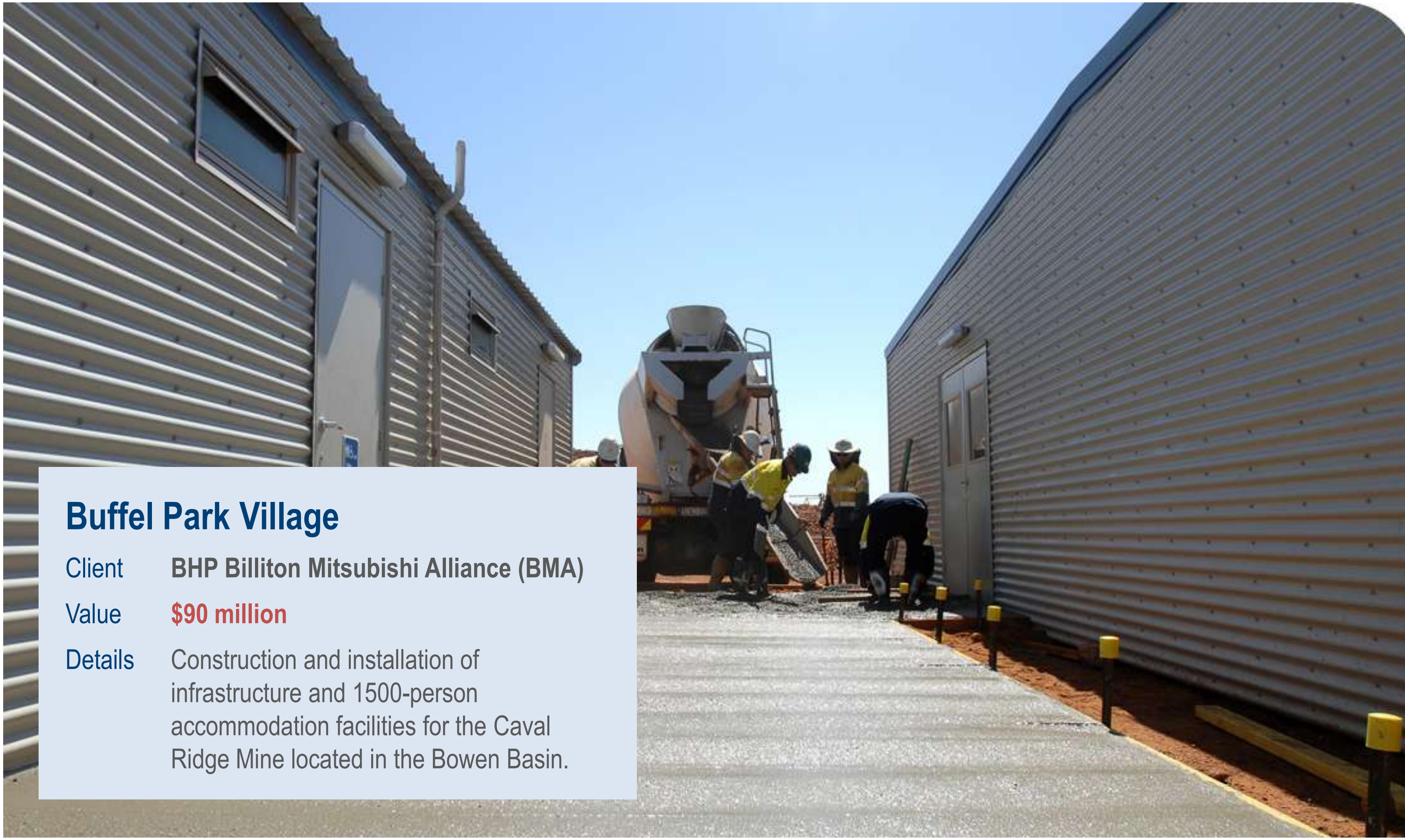
CURRENT PROJECTS



Buffel Park Village

Client **BHP Billiton Mitsubishi Alliance (BMA)**

Value **$90 million**

Details Construction and installation of infrastructure and 1500-person accommodation facilities for the Caval Ridge Mine located in the Bowen Basin.

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CURRENT PROJECTS

Rail Camp

Client	FMG
Value	**$66 million**
Details	Construction of a 714 man camp at FMG Change 25 including concrete foundation works and construction of footpaths.

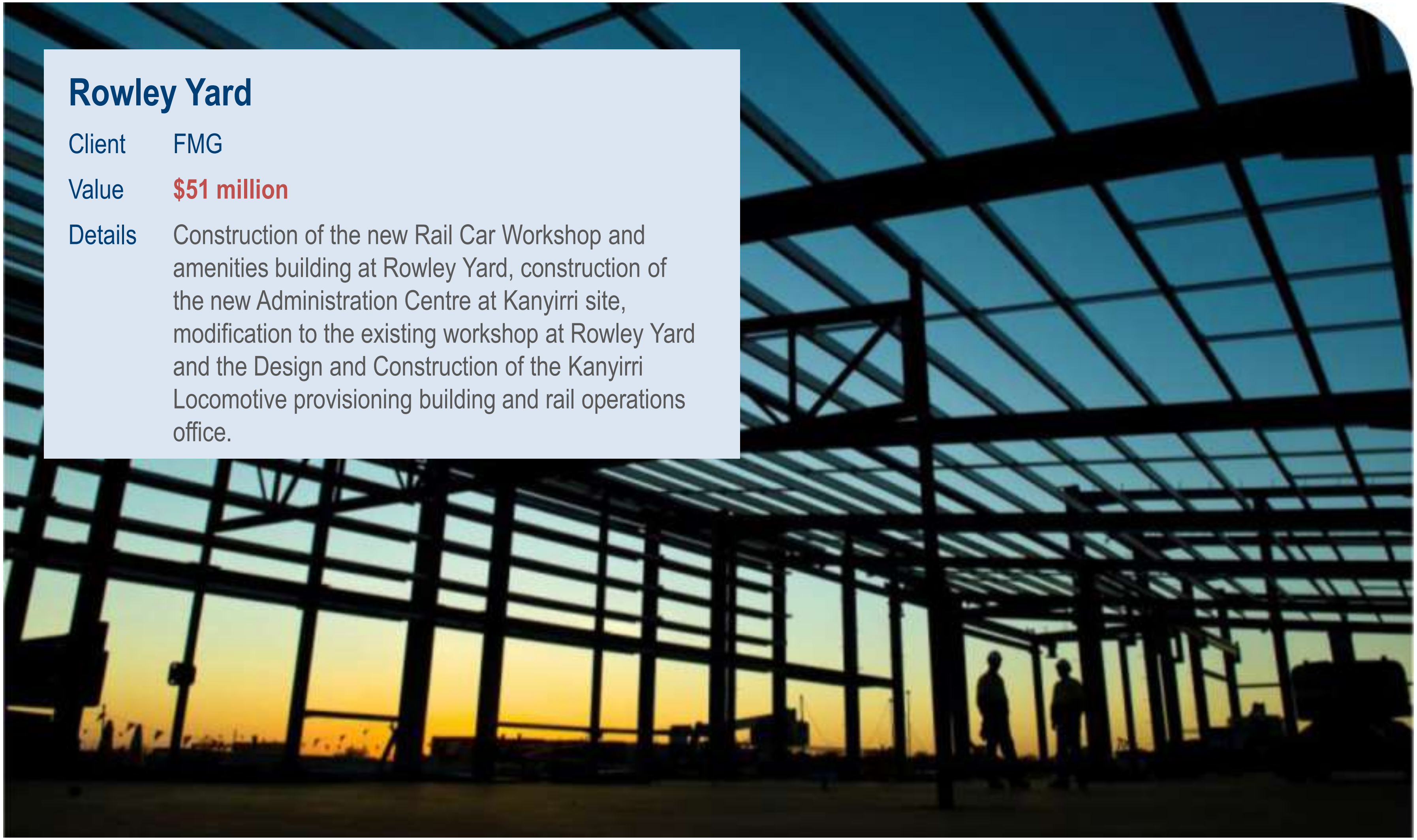
CURRENT PROJECTS

Rowley Yard

Client FMG

Value **$51 million**

Details Construction of the new Rail Car Workshop and amenities building at Rowley Yard, construction of the new Administration Centre at Kanyirri site, modification to the existing workshop at Rowley Yard and the Design and Construction of the Kanyirri Locomotive provisioning building and rail operations office.



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BOARD & EXECUTIVE MANAGEMENT

BOARD

Giles Everist
Non-Executive
Chairman

Denis Criddle
Non-Executive
Director

Bill Healy
Non-Executive
Director

Lee Verios
Non-Executive
Director

Scott Criddle
Managing Director & CEO

EXECUTIVE MANAGEMENT

Justine Campbell
Chief Financial Officer & Company Secretary

Brad Kelman
General Counsel

Ray Sputore
Managing Director, Decmil Australia

THANK YOU