

1 November 2017

Company Announcement Office

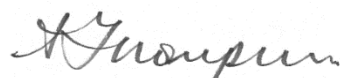
Australian Stock Exchange
Level 4, Stock Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

By ASX Online

Chairman's Address, Managing Director's Address and Presentation

Attached are the Chairman's address, the Managing Director's address and a presentation to be delivered at Decmil Group Limited's (ASX: DCG) Annual General Meeting scheduled to commence at 10.00am WST this morning.

Regards,

A handwritten signature in black ink, appearing to read 'Alison Thompson'.

Alison Thompson

Company Secretary





Chairman's Address

DECMIL GROUP LIMITED

2017 ANNUAL GENERAL MEETING

1 NOVEMBER 2017

BILL HEALY

Good morning ladies and gentlemen.

Welcome to the 2017 Decmil Annual General Meeting.

My name is Bill Healy and I am Chairman of the Board of Directors of Decmil Group Limited.

On behalf of my colleagues, I would like to welcome you to our office to give you an overview of the highlights of FY17 and provide an update on the FY18 business plan and the growth sectors for the Company moving forward.

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

I would like to take this opportunity to introduce my fellow directors.

Scott Criddle, Managing Director and Group Chief Executive Officer

Scott was appointed Chief Executive Officer in July 2009, and Managing Director of Decmil Group Limited in April 2010 and has been a Director of the Company since that time.

He was previously the Managing Director of Decmil Australia from 2002, where he was responsible for the long-term growth and strategic direction of the company, playing a key role in building relationships with stakeholders and clients.

Scott joined Decmil Australia in 1993 as a construction labourer to gain experience and learn about the company from the ground up. He held a variety of roles within Decmil Australia including Construction Manager, Estimator, Business Development Manager and Area Manager.

Denis Criddle, Non-Executive Director

Denis was the founder of Decmil Australia, Decmil Group Limited's major construction and engineering division.

He was appointed to Decmil's Board as a Non-Executive Director in August 2007 and served as Chairman from September 2009 to November 2011.

Denis is a civil engineer with more than 30 years' experience in construction and maintenance services for the oil and gas and resources sectors in central Queensland and north-west Western Australia.

David Saxelby, Non-Executive Director

David was appointed to the Board in May 2016. He has held Managing Director and CEO roles for the past decade, most recently with Lendlease as CEO of Construction and Infrastructure Australia. Prior to Lendlease, David was with the Leighton Group for 18 years, where he held a number of senior positions, most recently as Managing Director of Thiess Pty Ltd. In addition to these roles, David has held a number of senior positions on Industry Boards and was listed in the Top 100 Engineers in Australia.

Lee Verios, Non-Executive Director

Lee has more than 40 years' experience as a commercial and property lawyer. Until he retired in July 2012, he was a partner in the international law firm of Norton Rose Fulbright, where he headed its Commercial Property division in Perth. Lee is also an experienced company director, currently serving as a Non-Executive director of Finbar Group Ltd and Wyllie Group Pty Ltd. He joined our board in April 2010.

Lee has taken the decision to step down from the Decmil Board at this AGM. I would like to take this opportunity to thank Lee for his service to the Company over the past 7 years and wish him all the best for his future endeavours.

Given Lee's resignation, we will take the opportunity to review the composition of the Board to ensure we have an appropriate range of skills and geographical representation that reflects our future ambitions. Future appointments will consider our board skills matrix, our corporate governance obligations and our diversity aims.

I would also like to introduce you to the Executive Team which includes...

- Scott Criddle – our Managing Director,
- Craig Amos – our Chief Financial Officer,
- Tony Radalj – our Chief Operating Officer, and
- Ray Sputore – our Executive Manager Strategy & Pre-Contracts.

At today's meeting we have two resolutions to consider which will be put to a poll.

However, before we commence the formal part of the meeting, I am going to give a brief overview of the Company's highlights over the past year, and will then invite our Managing Director, Scott Criddle, to give shareholders an update on the FY18 business plan and the growth sectors for the Group going forward.

At the conclusion of formal proceedings, we would welcome you to stay on for light refreshments, and discuss any matters regarding the Company with the directors and senior executives present today.

I now turn to the Business Highlights of FY17.

The 2017 financial year represented a year of stabilisation for the Group following the significant decline in revenue experienced in the 2016 financial year.

Throughout 2017 the Group bedded down the market and geographic diversification strategies executed in recent years. The Decmil business now operates across all of Australia and New Zealand with offices in Perth, Brisbane, Melbourne and Auckland.

As it enters FY18, the Group maintains its overall strategy of building a diverse and strong construction and engineering business focussed on three key sector pillars namely Infrastructure, Resources and Renewables.

The focus on these markets and access to a broader geographical spread have created a more sustainable national business moving forward.

Despite reporting a broadly break-even FY17 EBITDA position the Group maintained a strong balance sheet with net tangible assets of \$135m and a net cash position of \$17m at the end of the financial year.

In addition, the Group has access to substantial senior debt and bonding facilities and ended the year with no senior debt drawn.

The Board and management considers this fiscal discipline to be appropriate given the recent challenges in the broader construction and engineering sector.

Operational highlights of the 2017 financial year reflect the diversification of the Group in recent years, with project activity spanning a number of sectors including WA Iron Ore sustaining capital works, Queensland coal seam gas upstream maintenance, Defence enabling infrastructure, road and bridge projects for State road authorities and renewable energy.

Key highlights include:

- Sustaining capital work in the WA Iron Ore Sector including a logistics hub for BHP at Port Hedland, an airstrip and associated facilities at Cape Preston for Sino Iron and various works for Samsung C&T at the Roy Hill project. Also new projects for Fortescue and at Rio Tinto's Nammuldi and Silvergrass projects;
- A ~\$50 million contract with Rio Tinto, for the design, construction and commissioning of the mine infrastructure area at the Amrun project;
- Enabling infrastructure works at a number of the Australian Defence Force bases and facilities;
- An EPC contract for Gullen for a 10MW solar farm and a two year operation and maintenance contract near Goulburn in New South Wales;
- Ongoing wellhead installation, brownfield maintenance and miscellaneous works for QGC in the Queensland coal seam gas sector;
- Work in New Zealand for the Ministry of Education with school projects in Christchurch and Auckland and the first project with the New Zealand Defence Force at Kauri Point;
- A variety of road and bridge projects for VicRoads including the Sand Road Interchange, the Monash Freeway Bridge Strengthening project and the Sneydes Road Interchange; and
- A contract with NSW Health Infrastructure for the redevelopment of a regional medical facility including the diversion of services, demolition of existing structures and the construction of a new temporary medical centre.

In closing, I would again like to take this opportunity on behalf of the Board to thank our loyal shareholders for their ongoing support and of course our staff for their dedication to Decmil.

I would like to now hand over to Decmil's Managing Director, Scott Criddle.

Managing Director's Address

DECMIL GROUP LIMITED

2017 ANNUAL GENERAL MEETING

1 NOVEMBER 2017

SCOTT CRIDDLE

Thank you Bill.

Good morning ladies and gentlemen and thank you for joining us today for our 2017 Annual General Meeting.

As you have heard from our Chairman, 2017 has been a year of stabilisation for Decmil, bedding down our strategy to expand the business into new markets and geographies. I would now like to give you an overview of our business plan moving forward and the opportunities that we see for FY18 and FY19 in our target markets.

Without doubt, Decmil benefited greatly from the resource construction boom, which saw significant earnings and revenue growth in the financial years through to FY15. In the period of subdued market conditions that followed, Decmil focussed its attention on diversification, stabilisation and resetting its overhead cost base to ensure it remained sustainable. The transformation that occurred created a platform for a more diverse national business, with sustainable earnings into FY18 and beyond.

The Group enters FY18 with the benefit of having bedded down the new market entry strategies and a focus on three key market pillars of Infrastructure, Resources and Renewables. Going into FY18 the Group is seeing an improvement in market conditions across these key sectors as follows:

Infrastructure: We are seeing an unprecedented pipeline of transport sector work in Victoria where the Group is actively pursuing new road and bridge projects as both head contractor and in joint ventures. There is also significant opportunity in the Defence sector and in new sectors for Decmil such as Corrections.

The Group was recently awarded the \$60m Princes Hwy Duplication Project at Warncoort in Victoria and have received a letter of award on a ~NZ\$60m project for NZ Corrections which is subject to final Ministerial acceptance. Further opportunities exist with VicRoads and also in Defence, Education, Health and Corrections.

Resources: We are seeing sustaining capital works and replacement tonnage projects activating in the WA Iron Ore market. With this, opportunities are emerging in Decmil's traditional West Australian markets including non-process infrastructure and civil construction. Decmil has a history in the WA Iron Ore sector that spans almost 40 years and many long standing client relationships.

Renewables: This is a new and exciting part of our business and Decmil has been actively bidding a number of solar PV projects and wind projects as a balance of plant contractor. Having already executed contracts in the renewables sector with joint venture partners, Decmil is well positioned for the significant capital spend that will occur in connection with upcoming large scale renewable projects.

In summary, there has been a significant improvement in market conditions across a number of Decmil's core sectors of Infrastructure, Resources and Renewables.

To leverage the opportunity that is currently being presented in these core sectors, the Board has also taken a decision to simplify the business and exit non-core assets and business units including telecommunications and design services.



With the strong tender pipeline and sector outlook, we expect to see strong growth in revenue and profitability in the second half of the 2018 financial year and into the 2019 financial year.

Before I conclude I would like to thank Bill, our Chairman, and our fellow directors, for your support and advice over the past year.

I would also like to thank our dedicated staff and our loyal shareholders for the support afforded to the business during the past 12 months.

I will now hand back to Bill to conduct the formal business.

Annual General Meeting

1ST NOVEMBER 2017

Welcome



Board of Directors



Bill Healy
Non-Executive Chairman



Scott Criddle
Managing Director



Denis Criddle
Non-Executive Director



David Saxelby
Non-Executive Director



Lee Verios
Non-Executive Director

Executive Team



Scott Criddle
Managing Director



Craig Amos
Chief Financial Officer



Tony Radalj
Chief Operating Officer



Ray Sputore
Executive Manager Strategy
& Pre-Contracts

20
17



FY17

Business Highlights

Our Business

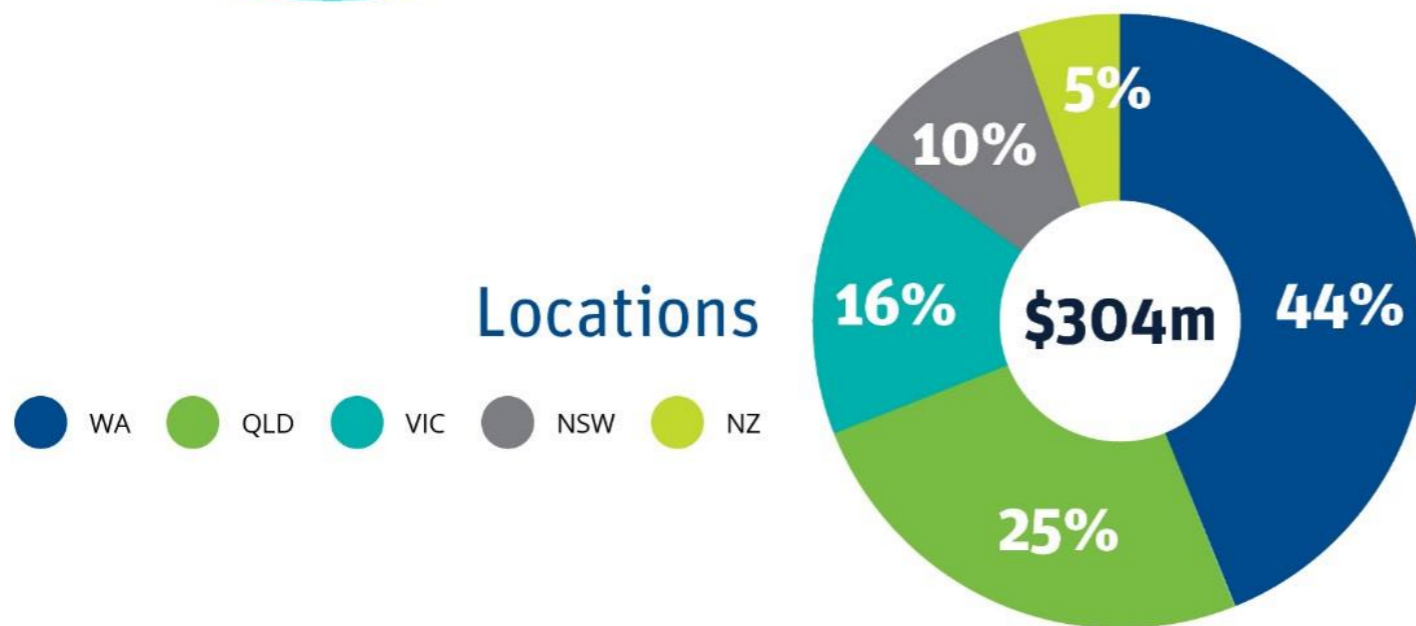
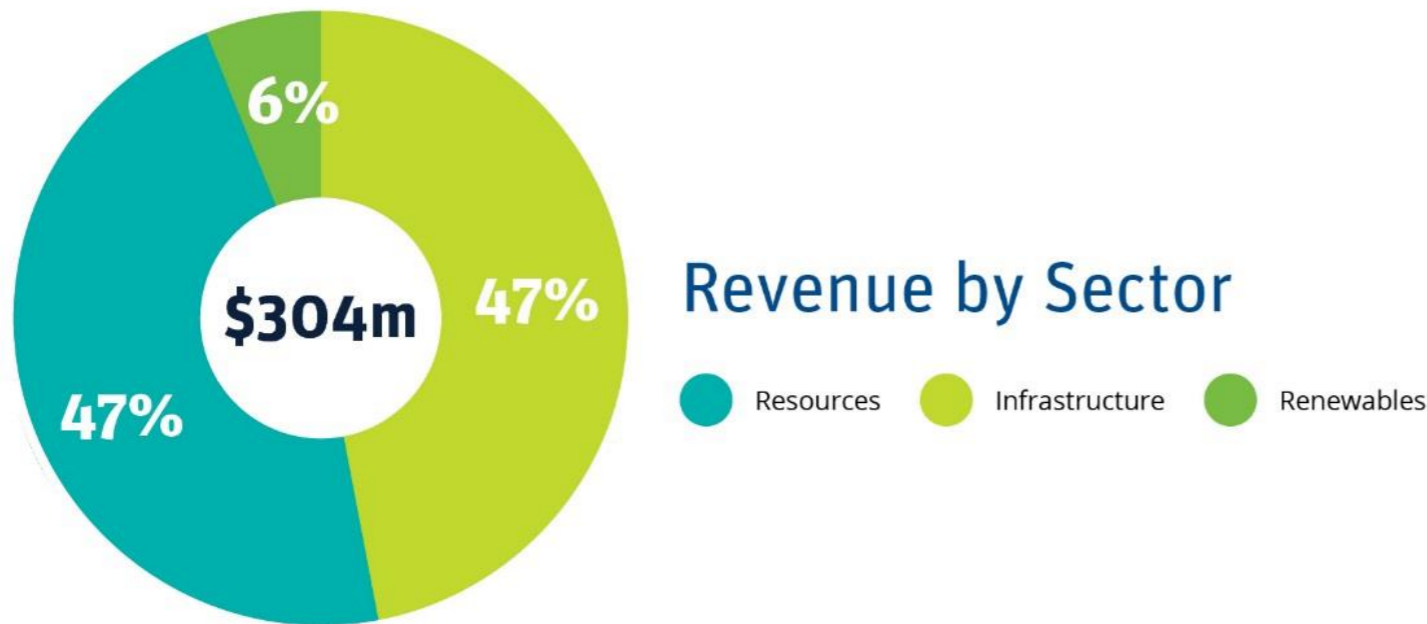
Leading national contractor to the Infrastructure, Resources & Renewables sectors

- ▲ Office Locations
- Resources
- Infrastructure
- Renewables



FY17 Highlights

We are active in growing markets



Strong Balance Sheet

\$17M

Net Cash

ZERO

Senior Debt

\$135M

NTA

\$185M

Available Facilities

2017

FY17 Highlights

New contracts, expanded capability, improving markets



Bonalbo
NSW, Health



NZ Corrections
NZ, Corrections

Rio Silvergrass
Pilbara, Iron Ore



Rio Amrun
QLD, Bauxite



Gullen
NSW, Renewables



VicRoads
Victoria, Transport

- Resources
- Infrastructure
- Renewables

DECMIL

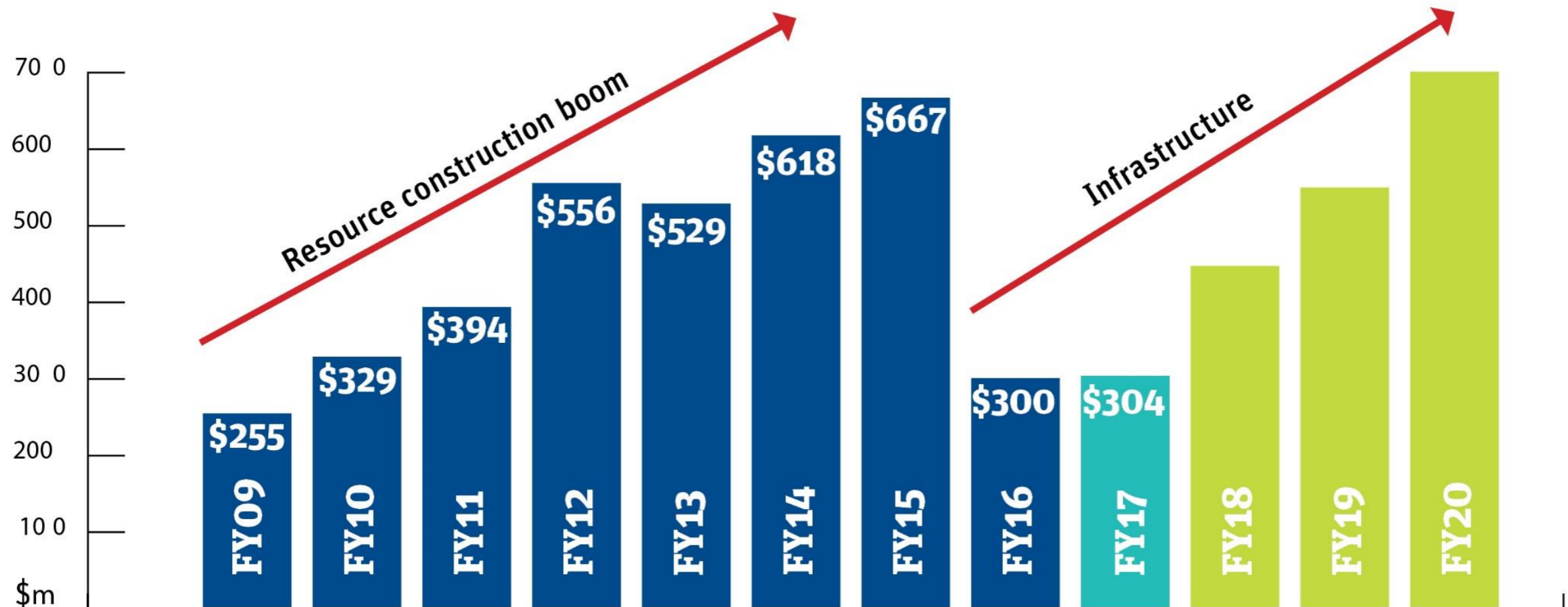
2017

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17

FY18
**Business Plan and
Growth Sectors**

Our Business Plan

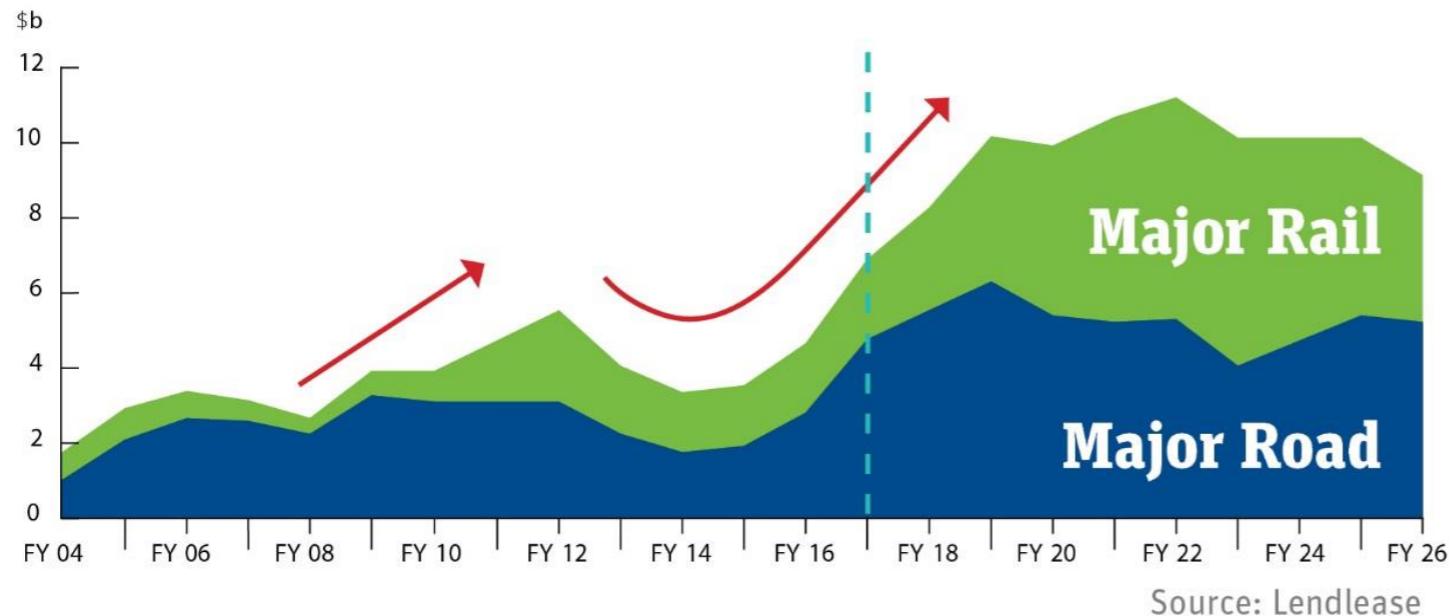
Drive growth from Resources, Infrastructure and Renewables sectors



- Growth in the business from FY10 to FY15 driven by the Iron Ore and LNG construction boom
- Business stabilisation and diversification in FY16 and FY17 – progressive movement into public infrastructure
- Revenue replacement strategy underway with expected revenue growth from FY18 to FY20 due to shift in construction and engineering cycle to public infrastructure
- The key sector growth drivers will be Resources (predominantly WA Iron Ore), Infrastructure (Transport, Defence, Corrections, Education) and Renewables (Solar and Wind)

Growth Sector: Infrastructure

Unprecedented pipeline of transport infrastructure projects on the eastern seaboard



Kings Road Bridge
Victoria



Sheepwash Creek
Victoria

 **DECMIL**



Infrastructure
Opportunities

> \$100M

- OSARS PPP with Lend Lease
- M80 Ring Road Upgrade
- Main River Crossing – New Link Road (Echuca/Moama)

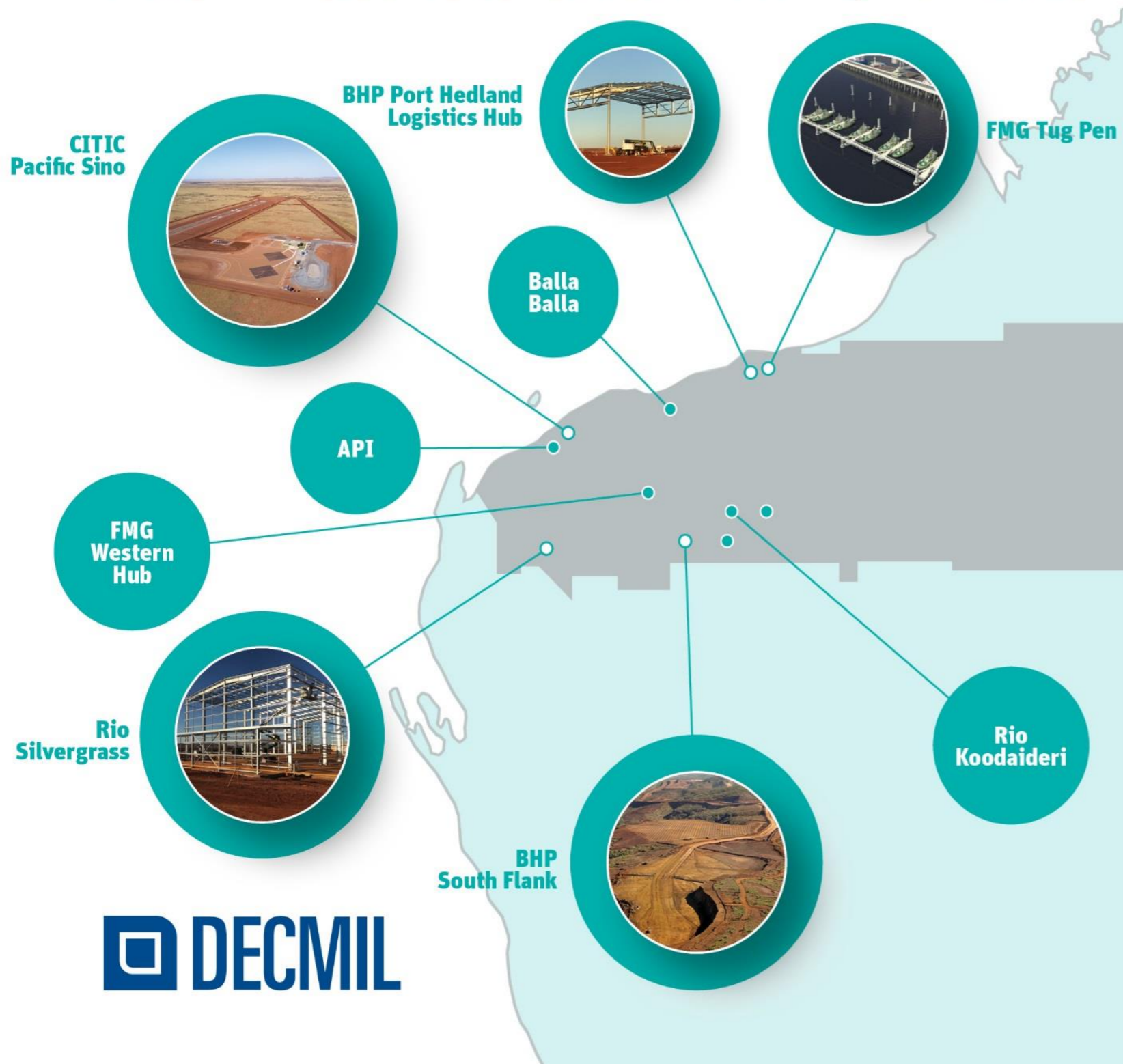
> \$50M

- Princes Hwy West – Winchelsea to Colac
- Drysdale Bypass
- South Gippsland Hwy

2017

Growth Sector: Resources

WA Iron Ore replacement volume projects and sustaining capital works expected to provide **\$10b+** lift to WA resource construction activity from 2018



Resources
Capabilities

Non process infrastructure

Civil

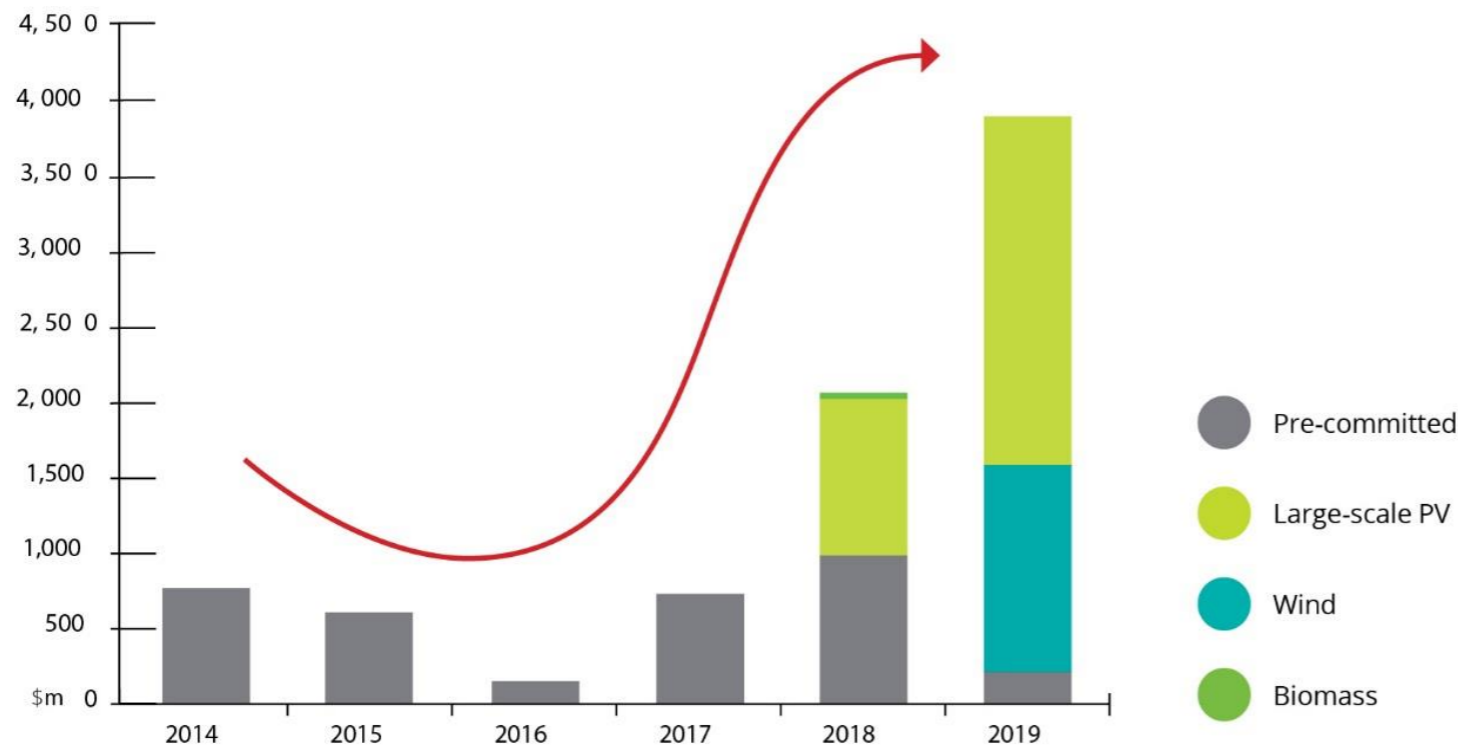
Structural and mechanical

Maintenance

20
17

Growth Sector: Renewables

Decmil is well positioned for the significant capital spend in connection with large-scale solar forecast to occur



Source: Bloomberg New Energy Finance

Western Power Perenjori
WA, Renewables



**Renewables
Capabilities**

State-based energy targets

- VIC: 25% by 2020 and 40% by 2025
- QLD: 50% by 2030
- SA: 50% by 2025
- NSW: 20% by 2020

State-based energy reverse auctions

- QLD: 400MW of projects
- VIC: 650MW of project

2017

Summary

Improvement in market conditions across a number of sectors

- Sustaining capital works and replacement volume projects starting to activate in the WA Iron Ore sector
- High levels of activity in the Transport sector in Victoria where the Group is actively pursuing new road and bridge projects as both head contractor and in joint ventures
- Larger project opportunities in the Defence sector
- Further opportunity in new sectors such as Corrections
- Actively bidding a number of solar PV projects as an EPC and wind projects as a balance of plant contractor
- Currently over \$300m of contracted and visible work in hand for FY18
- Either shortlisted or a preferred contractor on a number of larger design and construct contracts that will likely contribute to revenue from H2FY18



Decmil Annual General Meeting

ITEMS OF BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the Directors, Director's Report, Remuneration Report and the Auditor's Report.

Resolution 1 - Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a non-binding resolution:

“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 2017.”

Resolution 1 - Adoption of Remuneration Report

| Proxy Summary | |
|----------------------|------------|
| For | 90,012,081 |
| Against | 848,862 |
| Abstain | 96,328 |
| Proxy's Discretion | 360,206 |
| Total Votes | 91,317,477 |
| % of Shares on Issue | 53% |

Resolution 2 - Re-Election of Director – Denis Criddle

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purpose of clause 13.2 of the Constitution and for all other purposes, Mr Denis Criddle, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

Resolution 2 - Re-Election of Director – Denis Criddle

| Proxy Summary | |
|----------------------|-------------|
| For | 109,869,120 |
| Against | 3,281,871 |
| Abstain | 70,925 |
| Proxy's Discretion | 374,706 |
| Total Votes | 113,596,622 |
| % of Shares on Issue | 65% |



Thank you.

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