

ASX / MEDIA ANNOUNCEMENT

3rd February 2012

DECMIL AWARDED CONTRACT FOR CONSTRUCTION VILLAGE

Key Points

- Decmil awarded A\$90M contract by BHP Billiton Mitsubishi Alliance (BMA) for a construction village south east of Moranbah, Queensland.
- Work is scheduled to start onsite in April 2012.
- Delivers on DGL's and Decmil Australia's strategic growth plan of geographical diversification into the Queensland market.
- Follows recent announcement of 50:50 JV agreement to build-own-operate up to 2,265 rooms in accommodation village at Gladstone, Queensland.

The Decmil Group Limited (**ASX: DCG**) ("DGL") today announced it has continued to deliver on its strategic growth plan through diversification into the Queensland market with the award of a contract valued at approximately A\$90 million by BHP Billiton Mitsubishi Alliance (BMA) for an accommodation village south east of Moranbah, Queensland.

The contract has been awarded to DGL's wholly-owned subsidiary, Decmil Australia Pty Ltd and the Scope of Works includes construction and installation of infrastructure and accommodation facilities for the Caval Ridge Mine Project located in the Bowen Basin. Work is scheduled to start on site in April 2012.

DGL Chief Executive Officer Scott Criddle said "this contract win aligns with DGL's and Decmil Australia's strategic growth plan to leverage expertise and reputation for service delivery of O&G, Mining Civil and Building Construction works into the Queensland market."

DGL moved into the Queensland market 12 months ago and the contract awarded by BMA follows the recent announcement that DGL had executed an agreement with Maroon Group to build-own-operate up to 2,265 rooms in the Calliope Accommodation Village, near Gladstone, Queensland.

As announced (ASX – 29 November 2011), Decmil Investments Pty Ltd, a wholly owned subsidiary of DGL, acquired a 50% interest in the MGA Gladstone Unit Trust, the beneficial owner of the Village and in MGA Gladstone Pty Ltd, the trustee.

The Calliope Accommodation Village currently has 240 rooms completed and operational under lease to WICET and Stage 2 construction of a further 432 rooms for WICET is in progress. The village has development approval for up to 2,265 rooms. Decmil Australia has been appointed project manager to oversee and perform continued construction work at the Village from January 2012, with a total anticipated value in excess of A\$150 million.

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Decmil Group Limited

Mr Criddle said “the combined project construction values of the BMA contract announced today and for the Calliope Accommodation Village is approximately A\$240 million and provides a strong platform to expand both DGL and Decmil Australia’s east coast operations.”

The Group is focused on continued execution of its growth strategy and building its 2012/2013 order book, Mr Criddle said. Following the contract award by BMA, DGL’s current Work-In-Hand is approximately A\$500 million.

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For further information please contact:

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