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ASX / MEDIA ANNOUNCEMENT

19 June 2020

DECMIL SUCCESSFULLY COMPLETES RETAIL COMPONENT OF ENTITLEMENT OFFER

- **Retail Entitlement Offer has been successfully completed, taking total funds raised under the Entitlement Offer to \$50.5 million (before expenses)**
- **Additional placement to Cornerstone Sub-underwriters increases the total amount raised to \$52.4 million (before expenses)**
- **New shares issued under the Retail Entitlement Offer and placement are expected to commence trading on the ASX on 24 June 2020**

Decmil Group Limited (ASX: DCG) (“Decmil” or “Company”) is pleased to announce the successful completion of the retail component (“Retail Entitlement Offer”) of its 4.2 for 1 accelerated pro-rata non-renounceable entitlement offer of fully paid ordinary shares (“New Shares”) as announced to the ASX on 28 May 2020 (“Entitlement Offer”).

The Retail Entitlement Offer closed at 5:00pm on Wednesday, 17 June 2020, pursuant to which Decmil will issue approximately 406.7 million New Shares at the offer price of \$0.05 per New Share, to raise approximately \$20.3 million (before expenses). This follows the successful completion of the Institutional Entitlement Offer, which raised approximately \$30.2 million (before expenses).

Eligible retail shareholders subscribed for approximately 262.5 million New Shares which represented approximately 65% of the New Shares available for issue under the Retail Entitlement Offer. The remaining 144.2 million New Shares that were not subscribed for by eligible retail shareholders will be allocated to sub-underwriters in accordance with the terms of the sub-underwriting agreements and the allocation policy described in the Prospectus.

In addition to the completion of the Retail Entitlement Offer and as provided for in the Prospectus, the Cornerstone Sub-underwriters have each confirmed their election to participate in a top-up placement of shares, that is expected to involve the issue of a further approximately 37.6 million New Shares to raise approximately \$1.9 million, increasing the total amount raised to \$52.4 million (before expenses). The placement will utilise the Company’s existing placement capacity under ASX Listing Rule 7.1.

Decmil CEO and Managing Director Dickie Dique said the Company was extremely pleased with the strong level of support we have received from both our institutional and retail shareholders in recent weeks.

“The successful raising of more than \$52 million ensures that Decmil has the balance sheet to capitalise on the expected significant infrastructure spend in Australia over the next few years,” he said.

“We now have a balance sheet that allows us to pursue and capture the expected infrastructure opportunities in Australia, and to do so in a way that aligns with our strengthened contracting strategy under a refreshed and revitalised leadership team.

Decmil Group Limited
20 Parkland Road
Osborne Park, Western Australia 6017
T: +61 8 9368 8877 F: +61 8 9368 8878

ASX: DCG
ABN 35 111 210 390

decmil.com

“Our strengthened contracting strategy will have a far greater emphasis on risk management, a renewed focus on project delivery and will seek to avoid delays in resolving disputes with comprehensive red flag filters and enhanced escalation procedures. This will be core to how we run the business going forward, alongside operational excellence.

“These changes to our contracting strategy will also see us bring on the right mix of skills, experience and expertise for the evolving market, that can see us balance strong governance and risk management with the ability to win new business.”

New Shares under the capital raising are expected to be allotted on Tuesday, 23 June 2020 and commence trading on a normal settlement basis on Wednesday, 24 June 2020. New Shares will rank equally with existing fully paid ordinary Decmil shares as at their date of issue.

This ASX release was authorised by the Board of Decmil Group Limited.

About Decmil

Decmil Group Limited (DGL) offers a diversified range of services to the Australian resources and infrastructure industries. Companies within the group specialise in engineering and construction; accommodation services; and maintenance. Listed on the Australian Securities Exchange (ASX Code: DCG), Decmil's goal is to maximise returns from our operations to deliver value to our shareholders, clients and other stakeholders.

For further information please contact:

Investors:

Mr Dickie Dique, CEO, Decmil
Ph 08 9368 8877

Mr Peter Thomas, CFO, Decmil
Ph 08 9368 8877

Media:

Mr Stuart Carson
FTI Consulting, Strategic Communications
Ph 0403 527 755

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