

ASX / MEDIA ANNOUNCEMENT
13 July 2020

OPERATIONAL UPDATE

- **End date for works on upstream projects in Surat Basin brought forward to September 2020 by mutual agreement between Decmil and QGC**
- **Minimal financial impact resulting from early completion date**
- **Electrification of Yandin Windfarm**
- **Drysdale Bypass opening**

Decmil Group Limited (ASX: DCG) ("Decmil" or "Company") provides the following update on a number of projects the Company is presently working on.

QGC Brownfields Works

Decmil has mutually agreed with QGC Pty Limited ("QGC") to bring forward the end date of its Framework Agreement for works within the Surat Basin ("QGC Brownfields Works") to September 2020.

The QGC Brownfields Works have been performed under a three-year agreement awarded to Decmil in September 2018 for the provision of construction activities, logistics and maintenance services across a number of QGC's upstream projects within the Surat Basin.

The mutual decision to bring forward the end date reflects current industry conditions in the oil and gas sector and a refinement of Decmil's service offering in the energy sector.

The QGC Brownfields Works contributed approximately \$3.5 million in earnings to Decmil in FY2020, and was forecast to provide minimal profit in FY2021. The Company expects to incur approximately \$0.5 million in redundancy costs.

Operations will continue until 30 September 2020. Both companies are actively planning this process to ensure safe and efficient demobilisation and handover.

QGC and Decmil will work closely together to help staff to identify alternative employment opportunities when operations conclude.

Electrification of Yandin Windfarm

The Yandin Windfarm (a RATCH-Australia & Alinta Energy investment managed by Alinta Energy), which will be WA's largest, has been connected to the Western Power network through a new 330kV terminal and 10km transmission line constructed by Western Power. Electrification of the Yandin Windfarm at Dandaragan, WA, was a major milestone for the Project.

Decmil was awarded the \$79 million contract in April 2019 by Vestas for the civil and electrical design and construction, including wind turbine bases, access tracks, site cabling, switch room and substation.

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Drysdale Bypass Opening

The Victorian Bellarine Peninsula's biggest road infrastructure project, the Drysdale Bypass, opened to traffic on 30 June 2020.

Decmil was awarded the \$86 million contract in September 2018 to design and construct the new bypass that stretches 6.4 kilometres including a new 25m long, 7m high rail overpass and pedestrian underpass.

Early works included excavation of over 300,000 cubic metres of soil and movement of 600,000 tonnes of material within the road alignment.

A new pedestrian underpass is already providing safer access for pedestrians, linking the town centre with the education, arts and sporting precinct. Finishing touches including interpretive artwork on the underpass, drainage works, landscaping, shared user paths along the entire corridor, and permanent lighting will be completed by the end of the year.

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.

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