

9 August 2022

Ms Nikki Ciavatta
Adviser, Listings Compliance (Perth)
ASX Ltd
152 St Georges Terrace
PERTH WA 6000

Dear Ms Ciavatta

RESPONSE TO AWARE QUERY DATED 4 AUGUST 2022 - REF ODIN56339

We refer to your letter dated 4 August 2022.

The Company's response is as follows:

1 When did DCG first become aware of the Information

Response - The dispute with Southern Cross Electrical Engineer Ltd (SCEE) was finalised at 2.30pm (WST) on 3 August 2022 when the companies exchanged a Deed of Settlement at SCEE's offices. Any settlement proposal between Decmil and SCEE could only be described as "incomplete" before the exchange of the Deed of Settlement at that time. The Company notes that resolution of the dispute was disclosed before the market opened on 4 August 2022.

2 Does DCG consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

Response - No.

3 If no, explain the basis for that view.

Response - The disputes first arose in 2018: they have been the subject of various adjudications and arbitration proceedings since then. The market has been aware of the disputes and the monetary value of the amounts claimed in ASX releases since that time. The dispute with SCEE is set out in some detail in the prospectus issued in June 2020 (see para 4.13) and in the ASX Announcement dated 12 June 2020 titled "Corporate Update". The anticipated liability of the Company and the amounts of the final settlement are not material to Decmil's financial results. The Company had substantially provided for an appropriate provision in the results for financial year ended 30 June 2022 as announced to ASX in the FY22 Guidance Update on 27 July 2022.

The Company notes that when the resolution of the dispute was announced to the market on 4 August 2022, the Company advised the ASX that the announcement was not thought to be price sensitive.

4 Not applicable.

5 Please confirm that DCG is complying with the Listing Rules and in particular Listing Rule 3.1

Response – Confirmed.

6 *Please confirm that DCG's responses to the questions have been authorised by the Board.*

Response – Confirmed.

Please let me know if you have any further queries.

Yours sincerely,

A handwritten signature in blue ink that reads "Ian Hobson".

Ian Hobson
Company Secretary



4 August 2022

Reference: ODIN56339

Mr Ian Hobson
Company Secretary
Decmil Group Limited

By email: ian.hobson@decmil.com.au

Dear Mr Hobson

Decmil Group Limited ('DCG'): Aware Query

ASX refers to the following:

- A. The change in the price of DCG's securities from a low of \$0.14 on 1 August 2022 to a high of \$0.19 on 3 August 2022.
- B. DCG's response to ASX's price query released on the Market Announcements Platform ('MAP') on 3 August 2022, in which DCG disclosed (relevantly):

"1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?"

No."

- C. DCG's announcement entitled "SCEE Dispute Closed" released on MAP on 4 August 2022 ('Relevant Date') (the 'Announcement'), disclosing that DCG has agreed a full and final settlement of its dispute with Southern Cross Electrical Engineering Limited ('Information').
- D. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- E. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."

- F. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*

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- *The information is a trade secret; and*
- 3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*
- 3.1A.3 *A reasonable person would not expect the information to be disclosed.”*
- G. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Request for information

Having regard to the above, ASX asks DCG to respond separately to each of the following questions and requests for information:

1. When did DCG first become aware of the Information?
2. Does DCG consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
3. If the answer to question 2 is “no”, please advise the basis for that view.
4. If the answer to question 2 is “yes” and DCG first became aware of the Information before the Relevant Date, did DCG make any announcement prior to the Relevant Date which disclosed the Information? If so, please provide details. If not, please explain why the Information was not released to the market at an earlier time, commenting specifically on when you believe DCG was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps DCG took to ensure that the Information was released promptly and without delay.
5. Please confirm that DCG is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that DCG’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of DCG with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **12:00 PM AWST Tuesday, 9 August 2022**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, DCG’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require DCG to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in DCG's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in DCG's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to DCG's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that DCG's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Nikki Ciavatta
Adviser, Listings Compliance (Perth)