

26 June 2023

DECMIL COMPLETES INSTITUTIONAL ENTITLEMENT OFFER

- The institutional component of the Entitlement Offer has completed, raising \$4.60 million (before costs).
- The retail component of the Entitlement Offer opens on Thursday, 29 June 2023, which will raise a maximum of a further \$18.28 million.
- The Placement of a further 17 million RCPS to raise \$3.4 million remains ongoing.
- The funds raised under the Entitlement Offer and Placement will enable Decmil to accelerate its roadmap to increasingly profitable revenue growth and target an increased pipeline of opportunities on offer in the marketplace.

Capital Raising

Decmil Group Limited ('**Decmil**' or '**Company**') is pleased to announce the successful completion of the institutional component of the Entitlement Offer (defined below).

As announced on Thursday, 22 June 2023, Decmil is seeking to raise a maximum of \$26.28 million under an equity capital raising ('**Capital Raising**') comprising the issue of approximately 131.4 million Redeemable Convertible Preference Shares ('**RCPS**') at an issue price of \$0.20 per RCPS.

The Capital Raising comprises:

- a single tranche placement of 17,000,000 RCPS to raise \$3.40 million ('**Placement**'); and
- a partially underwritten accelerated entitlement offer of 25 RCPS for every 34 fully paid ordinary shares held by eligible shareholders in the capital of the Company at the Record Date (defined below) to raise up to approximately \$22.88 million through the issuance of a maximum 114,376,629 RCPS ('**Entitlement Offer**').

Blue Ocean Equities Pty Ltd (**Blue Ocean**) has been appointed by the Company to act as the underwriter and lead manager of the Entitlement Offer and the lead manager of the Placement. In consideration for their services, Blue Ocean will be paid 6% of the total amount raised under the Capital Raising and, subject to shareholder approval, will be issued 2,793,238 Options.

For further information with respect to the terms of the RCPS or the Capital Raising, please refer to the prospectus that was released by Decmil on its ASX announcements platform on Thursday, 22 June 2023 ('**Prospectus**').

Institutional Entitlement Offer

The institutional component of the Entitlement Offer (**'Institutional Entitlement Offer'**) has now closed, raising \$4.60 million (before costs) at an issue price of \$0.20 per RCPS.

Accordingly, 23,015,667 RCPS will be issued pursuant to the Institutional Entitlement Offer.

Retail Entitlement Offer

The retail component of the Entitlement Offer (**'Retail Entitlement Offer'**) will be conducted at the same fixed issue price and offer ratio as the Institutional Entitlement Offer.

The Retail Entitlement Offer will open on Thursday 29 June 2023 to eligible retail shareholders in Australia, New Zealand, Hong Kong and Singapore, as at 5:00pm (AWST) on Monday 26 June 2023 (**'Record Date'**).

Any RCPS not subscribed for under the Retail Entitlement Offer will form part of the shortfall (**'Shortfall RCPS'**), and eligible shareholders can apply to take up additional Shortfall RCPS more than their pro rata entitlement (**'Shortfall Offer'**).

All decisions regarding the allocation of Shortfall RCPS will be made by Blue Ocean and will be final and binding on all applicants under the Shortfall Offer. As such, there is no guarantee that any Shortfall RCPS applied for will be issued to applicants.

The Retail Entitlement Offer and the Placement are expected to close at 5:00pm on Monday, 17 July 2023.

Cornerstone and Board support

As previously announced, the Capital Raising was provided cornerstone support by the Company's largest shareholder, Thorney Investment Group (Tiga Trading Pty Ltd and Thorney Opportunities Ltd) (**'Thorney'**). Thorney has committed \$12.0 million towards the Entitlement Offer in two stages:

- subscribing for its full entitlement in the Entitlement Offer (23,015,667 RCPS / \$4.60 million); and
- subscribing for Shortfall RCPS (defined below) (36,984,333 RCPS / \$7.34 million) via a sub-underwriting agreement with Blue Ocean.

Thorney applied for its full entitlement under the Institutional Entitlement Offer and will sub-underwrite to Retail Entitlement Offer on the basis set out above.

Decmil wishes to remind shareholders that all directors intend to participate in the Retail Entitlement Offer. Further to this, Peter Thomas has also agreed to subscribe for up to a further 652,940 Shortfall RCPS via a sub-underwriting agreement with Blue Ocean, which increases his participation in the Capital Raising to a total of \$321,765.

Additionally, Rod Heale has agreed to subscribe to 400,000 Shortfall RCPS via a sub-underwriting agreement with Blue Ocean, making his participation in the Capital Raising \$80,000. Further details of the sub-underwriting arrangements with Blue Ocean are set out in the Prospectus.

Allocation of Funds

As previously announced, the funds raised under the Capital Raising allows the Company to:

- improve its multi-option loan facility and increase surety bond capacity; and
- provide sufficient working capital headroom to successfully target projects with more equitable risk allocations.

For further details, see section 4.1 of the Prospectus.

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

About Decmil

Decmil is a market leader in complex, multi-disciplinary project services. Decmil's group of companies deliver integrated construction and engineering solutions across the infrastructure, resources, energy, and construction sectors. Decmil's goal is to maximise returns from operations to deliver value to shareholders, clients, and other stakeholders.

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