

ASX / MEDIA ANNOUNCEMENT
1 February 2016

DECMIL EXPANDS CIVIL CAPABILITY AND GEOGRAPHIC PRESENCE

- **Acquisition of Melbourne headquartered R5/B4 rated civil infrastructure business**
- **Increases Decmil's exposure to the Victorian, New South Wales and ACT civil infrastructure market**
- **Appointment of General Manager to Decmil's New Zealand business**

Decmil Group Limited (ASX: DCG) ("Decmil" or "Company") is pleased to announce the acquisition of Cut & Fill Pty Ltd ("Cut & Fill") and the appointment of a General Manager to its New Zealand operations.

Cut & Fill is a Melbourne based civil engineering company focused on civil infrastructure works across the South Eastern seaboard of Australia, particularly with the State Road Authorities in Victoria, the ACT and New South Wales. The business holds the highest available pre-qualification accreditation (R5/B4) with various State Government infrastructure bodies and has a long history of successful delivery of various road, rail, bridge and related infrastructure projects.

The acquisition expands Decmil's business through an established and direct local platform in the Victoria, ACT and New South Wales civil infrastructure markets.

Decmil has acquired 100% of the shares of Cut & Fill for a cash consideration of approximately \$9.5 million. For the 2015 financial year Cut & Fill generated ~\$58.0 million in revenue and generated EBITDA of ~\$1.8 million. Decmil has acquired ~\$25.0 million of work in hand, assumed ~\$0.6 million of hire purchase liabilities and ~\$12.9 million of cash remaining in the business. The transaction has an effective date of 1 February 2016 and the business will continue to trade under the long established name of Cut & Fill.

Additionally, John Hemi has joined Decmil as General Manager of New Zealand Operations. John has extensive experience in building construction management and has managed multiple projects around the Auckland area. Decmil's first project in New Zealand at South Hornby Primary School is underway following its selection as a contractor for the NZ Government's CSR Innovation project.

Decmil Group CEO and Managing Director, Mr Scott Criddle, commented:

"The acquisition of Cut & Fill and the appointment of John Hemi are important steps forward in building our presence on the East Coast and in New Zealand, growing our civil infrastructure capability and building further relationships with State and Federal Governments. These markets are a key focus for Decmil as we build our presence and capability in a variety of public and private sector infrastructure".

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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 design, civil engineering and construction; accommodation services; mechanical fabrication; maintenance; and telecommunications. 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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