

29 November 2023

BUSINESS UPDATE

- Decmil not impacted by Federal Infrastructure project review
- FY24 on track with recent completions and building well on back of recent project starts
- Homeground occupancy and bookings increased

Decmil Group Limited ('Decmil' or 'Company') provides the following business update:

No Decmil projects impacted by Federal Infrastructure Review

The Federal Government recently completed a full and comprehensive review of all planned federally funded infrastructure projects around the country. The review considered about \$120 billion of infrastructure projects to be built over the next 10 years. Several projects in the infrastructure program were subsequently defunded.

Pleasingly Decmil does not foresee any impact from the federal review on awarded projects or those with preferred status or in late-stage negotiations.

FY24 on track with recent completions and building well on back of recent project starts

Decmil has now achieved completion on its Port Hedland Community Centre and its Covalent (NPI) projects in Western Australia. It has also achieved substantial completion on its Ryan Corner wind farm project in Victoria.

Decmil's Perdaman Project in Western Australia has commenced well. Staff and equipment are fully mobilised to site and the project is running ahead of schedule.

The Limited Notice of Award ('LNoA') for Decmil's contract at Covalent Lithium Pty Ltd's ('Covalent') Mount Holland Lithium Project in Western Australia has been increased from \$1.46 million to approximately \$9 million. This announcement is further to the Company's announcements on 4 July 2023 and 7 July 2023. Under the scope of the original LNoA, Decmil was authorised to perform activities such as: mobilisation of personnel and plant and equipment; establish temporary works; commence survey and set out; commence soil testing; commence water supply activities; engage sub-contractors; commence procurement of materials; and draft management plans.

The increase to the LNoA reflects an expansion in scope to commence the permanent road construction activities, including, foundation preparation and placement of fill within the existing road alignment.

Decmil's Ison Road project in Victoria with MRPV is proceeding well. Early works directions from MRPV have now been increased to approximately \$7.2m and site mobilisation and earthworks have commenced.

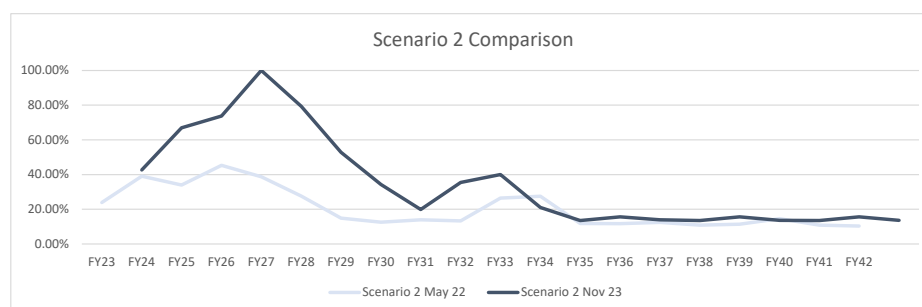
Following the signing of a strategic joint venture with Symal to bid on several NSW and Queensland wind farm projects, Decmil continues to progress discussions with several parties on other strategic joint ventures to bid on projects in the \$200m-\$500m range.

Homeground

Decmil's accommodation village in Gladstone ('**Homeground**') has performed very well in the first four months of FY24. YTD occupancy has been strong and pleasingly the typical seasonal drop-off of occupancy that usually occurs in the summer months has not occurred. Homeground has delivered more than \$1m of EBITDA in the first four months of FY24. For the first time in many years, several large capital projects (water, energy, and potential hydrogen projects) have commenced in the Gladstone region, and this has meant that the usual seasonal downturn in profitability during the summer months is not expected to occur.

AEC Group, an Australian consultancy firm specialising in economic and business insights, has projected anticipated future occupancy for Homeground over the next 20 years across several potential scenarios. The most recent iteration was completed in November 2023 which has seen a considerable increase in projected occupancy rates relative to their previous projections from May 2022, reflective of the strong levels of current activity and interest in renewable and green technologies in Gladstone. The graph below shows a comparison of one such scenario between the November 2023 and May 2022 reports.

Scenario 2 – Low/Med Case



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

About Decmil

Decmil Group Limited ('**Decmil**') (ASX: DCG; DCGPA) is a market leader in complex, multi-disciplinary project services. Decmil's group of companies deliver integrated construction and engineering solutions across the resources, infrastructure, and renewables sectors. Decmil's goal is to maximise returns from operations to deliver value to shareholders, clients, and other stakeholders.

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