



17 October 2018

Company Announcement Office  
Australian Stock Exchange  
Level 4, Stock Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000



By ASX Online

**Macquarie WA Forum Presentation**

Attached is presentation to be delivered at the Macquarie Western Australia Forum this morning.

Regards,

**Alison Thompson**  
Company Secretary

# Macquarie Western Australia Forum

17 October 2018



*Celebrating*  
A PROVEN  
TRACK RECORD  
1978-2018

INFRASTRUCTURE  
RENEWABLES  
RESOURCES

# Celebrating 40 Years

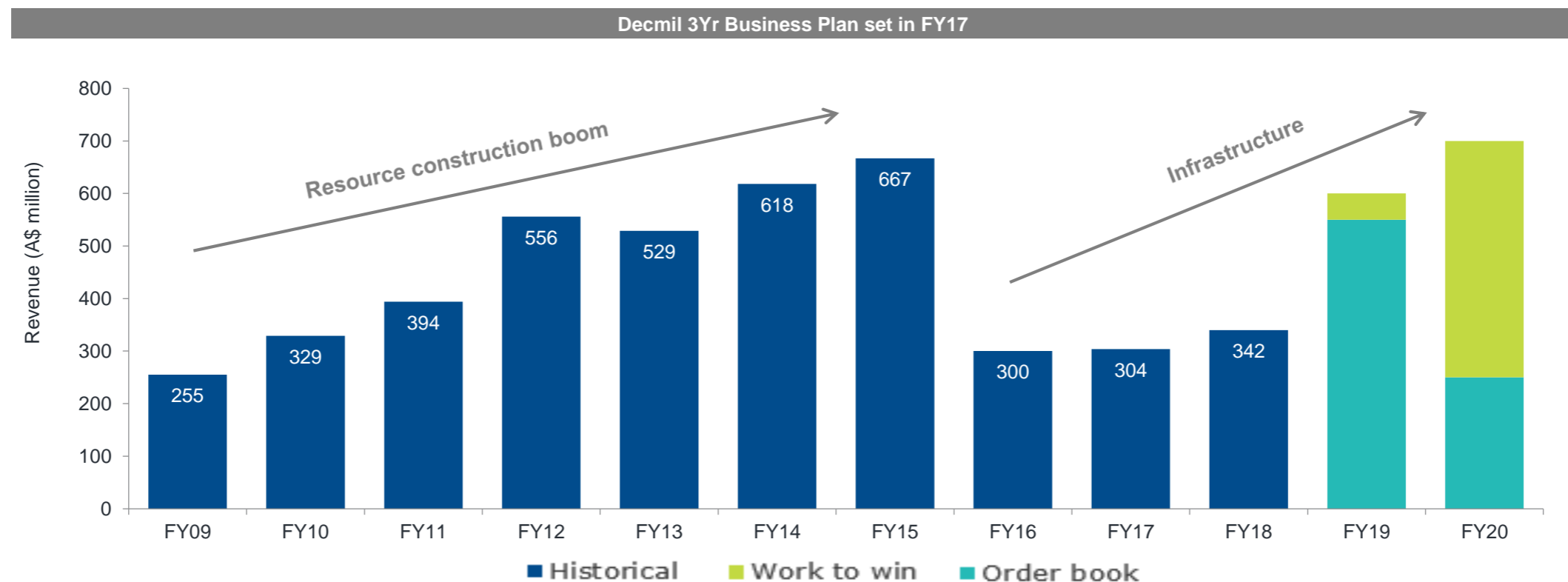


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# Our Business Plan

**Decmil has executed its strategy to increase exposure to Infrastructure – well positioned for growth in FY19 and beyond**

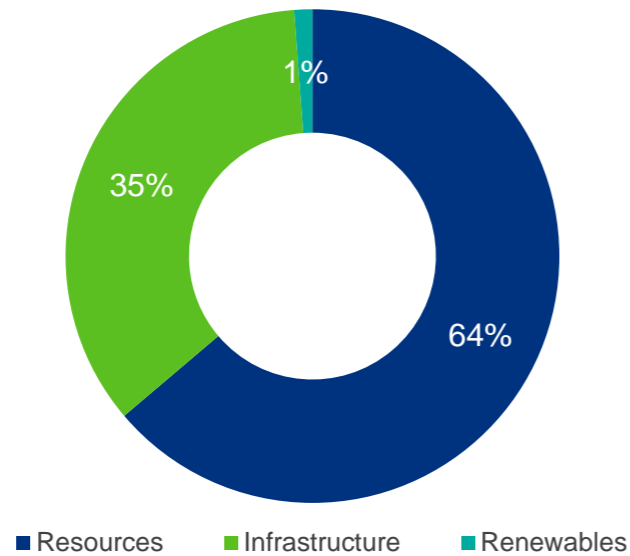
- Growth from FY10 to FY15 driven by the Iron Ore and LNG construction boom
- Business stabilisation and diversification achieved in FY16 and FY17 – progressive movement to infrastructure and geographic diversification
- Revenue growth from FY18 to FY20 due to shift in construction and engineering cycle to public infrastructure
- Key growth drivers will be Resources (WA Iron Ore, QLD CSG), Infrastructure (Transport, Defence, Corrections, Education) and Renewables (Solar and Wind)



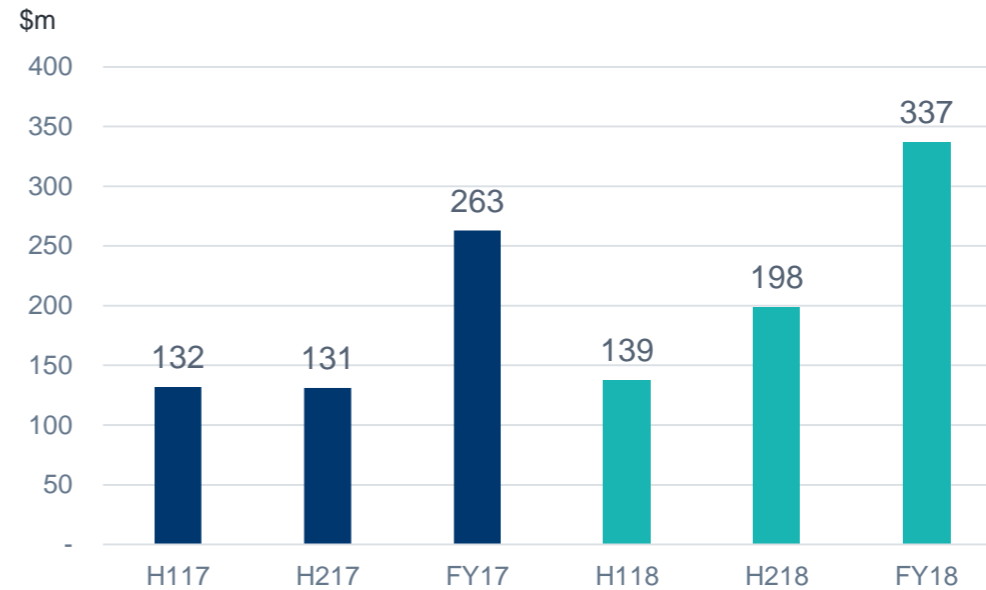
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# FY18 Financial Highlights

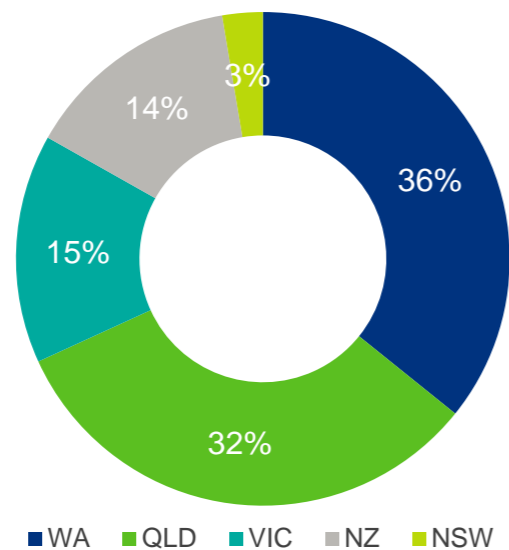
## FY18 revenue by sector



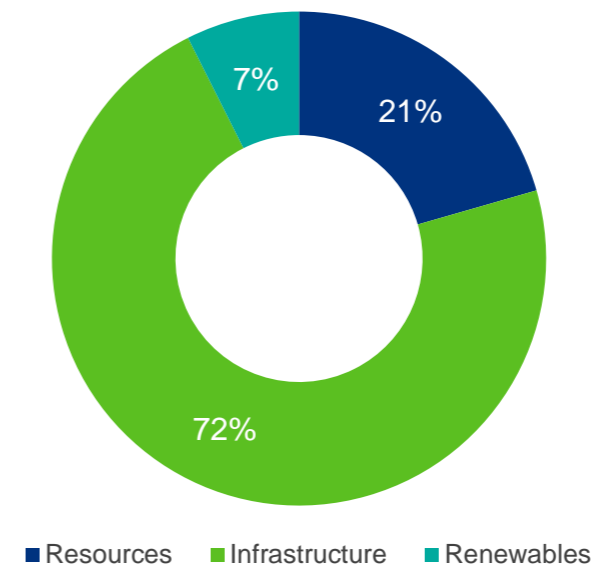
## FY17 & FY18 C&E half-on-half



## FY18 revenue by geography



## FY19 order book<sup>1</sup> by sector

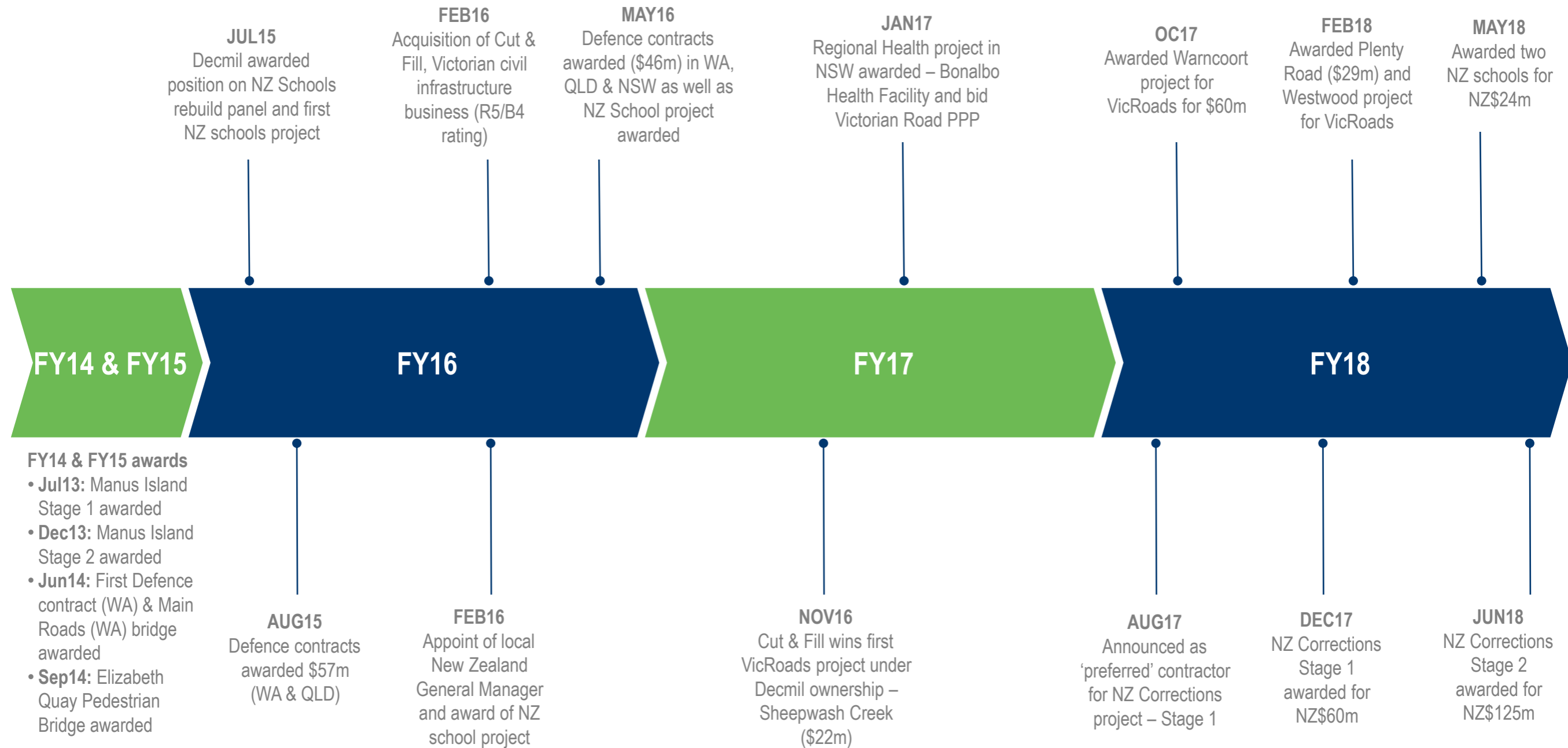


*Note 1: order book includes contracted work in hand and visible revenue at 30 June 2018, but does not include amounts in connection with Sunraysia Solar Farm*

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# Our Increasing Exposure to Infrastructure

Decmil is becoming significantly experienced in Infrastructure



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# NZ Corrections

Project has a combined value of NZ\$185+ million

- Initial ~NZ\$60 million contract awarded in December 2017 for the design, procurement and on-site installation of rapidly deployable modular prison cells at two existing prison sites in New Zealand.
- A ~NZ\$125 million contract extension awarded in June 2018 for the installation of additional modular prison cells at three further sites in New Zealand.
- Projects will deliver additional ~1,000 capacity for New Zealand Department of Corrections.
- Inground services and foundations have been prepared and the first shipment of 162 modules will be complexed into units for installation.



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# Drysdale Bypass

## Adds to long history of Victorian transport infrastructure projects



- The contract was awarded to Decmil in September 2018, project value of \$86 million, with the Major Road Projects Authority.
- Largest road project ever undertaken by Decmil.
- The project includes the design and construction of the Drysdale Bypass, which will be approximately six-kilometres long from Jetty Road to north of Whitcombes Road.
- Scope includes earthworks, services and stormwater drainage for the bypass roads, a pedestrian underpass bridge near local schools and a bridge over the Bellarine Railway.
- Detailed design is progressing with client, staff have been mobilised to site and clearing and top soil stripping has commenced.
- Decmil continues to progress its business plan in the infrastructure market with a significant number of major transport infrastructure opportunities across Victoria and New South Wales.



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# QGC Project

**Contract estimated at approximately \$150 million over initial term**

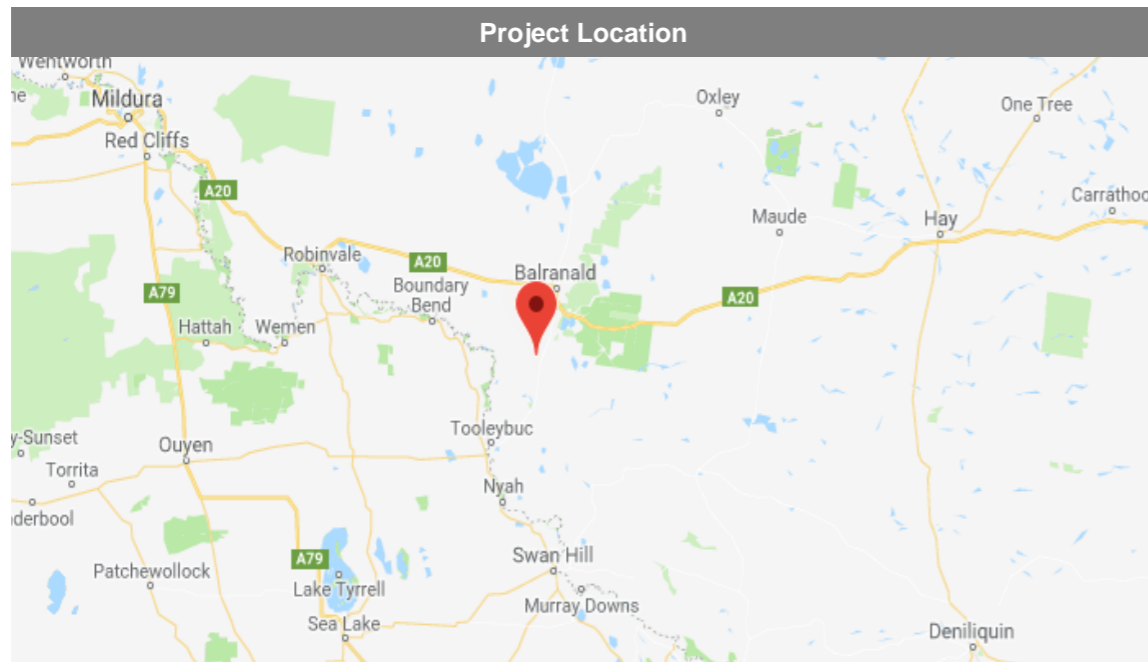
- Recently awarded a three-year Framework Agreement with the Shell operated venture QGC Pty Limited for works within the Surat Basin.
- Extends seven year relationship with QGC providing services that include the installation of wellheads and various brownfield maintenance activities.
- New scope commenced this month which includes the provision of construction activities, logistics and maintenance services across a number of QGC's upstream projects.
- Contract includes option to extend for up to two years beyond the initial three-year term.



# Sunraysia Solar Farm

## The Engineer, Procure and Construct contract has been awarded

- Decmil has received Notice to Proceed for Sunraysia Solar Farm, with a contract value of ~\$277m
- Decmil scope excludes connection to the grid and construction of substation
- The project is to Engineer, Procure and Construct a 255MWp solar PV project in Balranald, NSW
- Project has Power Purchase Agreements with AGL and University of New South Wales
- Maoneng (Developer) has entered into a long term equity partnership with global infrastructure investor and manager John Laing for the investment and development of the project
- Project will be one of the largest solar farms in Australia and will significantly expand Decmil's presence in the renewable energy market



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# Resources

## Remote works continuing for BHP, Rio Tinto and FMG

- General activity level in Pilbara Iron Ore starting to rise significantly
- FMG Tug Pens project in punchlisting phase
- Works on Amrun nearly complete with handover to Rio Tinto
- Variations on contract for BHP on Mulla Mulla project (South Flank) and awaiting notice to proceed on Separable Portion 2
- New work being bid for Fortescue (Eliwana), Rio Tinto (Brockman) and Rio Tinto (Koodaideri)



# Tender Pipeline

## Pipeline visibility extends into FY20 and FY21

- Focus on the Resources, Infrastructure and Renewable Energy sectors across Australia and New Zealand
- Strong market conditions across these sectors
- Tender pipeline extends revenue visibility to FY20 and FY21

### Key Opportunities

Project	Region	Client	Award Timing	Sector	Scope
M80 Road Upgrade	VIC	Vic Roads	FY19	Infrastructure	D&C Road Upgrade
Echucha Moama Project	VIC	Vic Roads	FY19	Infrastructure	D&C Structure over Murray River
Mordiallic Bypass	VIC	Vic Roads	FY19	Infrastructure	D&C Road Upgrade
Plenty Road – Stage 2	VIC	Vic Roads	FY19	Infrastructure	D&C Road Upgrade
Aviation Refuelling Facilities	National	Defence	FY19	Infrastructure	D&C Enabling Infrastructure
Medical Centres (various)	NSW	NSW Health	FY19	Infrastructure	Medical Centre
Suburban Road for the North and South East Melbourne	VIC	Vic Roads	FY20	Infrastructure	D&C Road Upgrade
Koodaideri NPI	WA	Rio Tinto	FY19	Resources	D&C Non Process Infrastructure
Brockman NPI	WA	Rio Tinto	FY19	Resources	D&C Non Process Infrastructure
Eliwana NPI	WA	Fortescue	FY19	Resources	D&C Non Process Infrastructure
Warradarge Wind Farm	WA	Turbine OEM	FY19	Renewables	Wind Farm Balance of Plant
Utility Scale Solar Projects	National	Renewable Developers	FY19 & 20	Renewables	Multiple Solar EPC Projects



# Outlook

## FY19 revenue now expected to exceed \$600 million with Sunraysia

- FY19 C&E revenue now expected to exceed \$600 million with Sunraysia (FY18 C&E revenue \$337 million)
- Contracted revenue for FY19 ~\$550 million. Contracted work in hand for FY20 ~\$250 million
- \$50 million capital raising completed in August 2018 has added financial capacity to the balance sheet for growth and bigger projects
- Group continues to see strong market conditions across a number of its key sectors including:
  - **Resources:** FMG's Eliwana and Rio Tinto's Koodaideri projects and also improved market conditions in the QLD Coal Seam Gas sector;
  - **Infrastructure:** Significant public sector infrastructure spend by State and Federal Government, in particular in the Transport sector in Victoria; and
  - **Renewable Energy:** Solar PV and wind projects as a balance of plant contractor



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**Thank you.**

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