

ASX / MEDIA ANNOUNCEMENT
19 December 2014

DECMIL RESPONSE TO ARK (CHINA) COMPANY LIMITED MEDIA RELEASE

Decmil Group Limited (ASX: DCG) ("Decmil" or "Company") notes a media release circulated by Ark (China) Company Limited ("Ark"). The media release is in relation to a dispute between Decmil's wholly owned subsidiary Decmil Australia Pty Ltd and Ark Modular Structures Pty Ltd, a subsidiary of Ark.

The dispute arises from a subcontract between the companies for material supplied and work performed by Ark for Decmil at its construction project for the Department of Immigration and Border Protection on Manus province, Papua New Guinea. The dispute has arisen due to deficiencies in the material supplied and work performed by Ark.

"The media release by Ark contains a multitude of untrue, misleading and defamatory statements," said Mr Scott Criddle, CEO of Decmil.

"Decmil has operated, and continues to operate, within the contractual framework between Ark and Decmil. We have advised Ark that we reserve our rights under the contract between the companies, and at law in general. The contract stipulates a dispute resolution process and it is Decmil's intention to continue to work within that process.

"Our Manus Island contracts for the Department of Immigration and Border Protection are progressing well, with the offshore settlement centre at Lorengau completed in October 2014, and the offshore processing centre at Lombrum on schedule for completion in 2015," Mr Criddle said.

About Decmil Group Limited

Decmil Group Limited ("DGL") offers a diversified range of services to the mining, oil & gas, infrastructure and government sectors in Australia and overseas. Companies within the Group specialise in design, engineering, construction, fabrication, maintenance, accommodation services, infrastructure ownership and telecommunications. Listed on the Australian Securities Exchange (ASX Code: DCG), DGL's goal is to maximise returns from our operations to deliver value to our shareholders and stakeholders.

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