

As a publicly listed company, Decmil Group Limited (Decmil) is required to comply with the continuous disclosure obligation contained in the listing rules of the Australian Stock Exchange (ASX). This continuous disclosure obligation is complemented by requirements under the Corporations Act.

Decmil is committed to:

- ensuring that shareholders and the market are provided with full and timely disclosure of material information about Decmil's activities;
- complying with the general and continuous disclosure principles contained in the ASX Listing Rules and the Corporations Act; and
- preventing the selective or inadvertent disclosure of material price sensitive information.

The purpose of this Policy is to:

- record and communicate Decmil's commitment to continuous disclosure;
- outline the processes followed by Decmil to ensure compliance with its continuous disclosure obligation; and
- outline the corporate governance standards applied by Decmil in relation to its market communications practices.

The Board will periodically evaluate this policy to ensure it remains effective in ensuring accurate and timely disclosure in accordance with Decmil's disclosure obligation.

CONTINUOUS DISCLOSURE

1. ASX Disclosure Obligation

Under Listing Rule 3.1, Decmil is required to notify the ASX immediately it becomes aware of any information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities.

Decmil must not release such information to any other party until it has been disclosed to the ASX and the ASX has acknowledged receipt and confirmed that the information has been released to the market (Listing Rule 15.7).

2. Exception to Disclosure

Decmil may elect not to disclose information where **each** of the following conditions are found to exist:

- (a) a reasonable person would not expect the information to be disclosed,
- (b) the information is confidential, and
- (c) one or more of the following applies:
 - (i) it would be a breach of a law to disclose the information,
 - (ii) the information concerns an incomplete proposal or negotiation,
 - (iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure,
 - (iv) the information is generated for the internal management purposes of the entity, and/or

(v) the information is a trade secret.

As soon as one of the exceptions is no longer satisfied the information must be disclosed. For example, if information which is confidential is inadvertently released and can no longer be considered confidential, or the ASX takes the view that the information is no longer confidential, Decmil must disclose this information to the ASX.

In addition, the application of one or more of these exceptions is removed where, under Listing Rule 3.1B, the ASX requires Decmil to disclose relevant information for the purpose of correcting or preventing a false market.

3. Decmil Aware of Information

The continuous disclosure obligation applies not only to information that Decmil actually becomes aware of but extends to information which the Directors and executive officers of Decmil ought reasonably to be aware of in the normal course of performing their duties as directors and executive officers (Listing Rule 19.12).

4. Materiality

The measure used in Listing Rule 3.1 (whether a reasonable person would expect the information to have a material effect on the price or value of the Company's securities) is the subject of a deeming provision in the Corporations Act (Section 677). As a result, a reasonable person is taken to expect particular information to have a material effect on the price or value of any of the Company's securities if the information would, or would be likely to, influence persons who commonly invest in such securities in deciding whether to acquire or dispose of the securities.

If any employee is not sure whether information is material, they should immediately seek guidance from the Company Secretary or in his absence, the Chief Financial Officer.

5. Disclosure Committee

Decmil has established a Disclosure Committee comprised of the Company Secretary and the Chief Financial Officer. The Committee reports to the Chief Executive Officer. The Committee's responsibilities include:

- (a) reviewing information, including consulting with Decmil management and personnel to determine if disclosure is required;
- (b) ensuring the Chief Executive Officer and Board is advised of and approves all information disclosed to the market; and
- (c) ensuring that the Board is kept fully informed of the Disclosure Committee's determinations and all information subsequently disclosed to the market.

When appropriate, the Chief Executive Officer will consult with the Chairman when determining whether particular information is to be disclosed. Matters on which the Chairman will be consulted include (but are not limited to) forward looking statements, profit forecasts and contract awards.

The Company Secretary is the convenor of the Disclosure Committee and has primary responsibility for the administration of this policy. The Company Secretary's responsibilities include monitoring compliance with Decmil's disclosure obligation and managing all communications with the ASX.

6. Timely Disclosure

In order to ensure Decmil meets its obligations of timely disclosure of information that may affect the value of the Company's securities or influence investment decisions, Decmil employs the following practices:

- (a) All officers responsible for relevant areas of the Company's operations must report to the Company Secretary (or in his absence either the Chief Financial Officer) any information which may be material, including information where the officer is unsure as to the materiality of the information.
- (b) The information should be immediately brought to the attention of the Disclosure Committee.
- (c) The Disclosure Committee shall assess the information and determine whether, in its opinion, a reasonable person would expect the information to have a material effect on the price or value of the Company's securities as prescribed under Listing Rule 3.1.
- (d) Where the Disclosure Committee determines that the information should be disclosed, the Disclosure Committee shall consult with and seek the approval of the Chief Executive Officer and Board to disclose the information.

Once approved for release by the Board, the Company Secretary shall immediately notify the ASX of the information concerning the Company.

All information disclosed to the ASX shall be promptly placed on the Decmil Group website following receipt of confirmation from the ASX.

- (e) The Company Secretary shall maintain a record of all matters received and assessed by the Disclosure Committee.
- (f) If at any time an officer of Decmil has any queries in respect to the Company's continuous disclosure obligations, they must contact the Company Secretary (or in his absence the Chief Financial Officer), for clarification.

7. Prevention of Selective Disclosure

Decmil has established policies and procedures to ensure that the widest audience of investors has access to information given to ASX for market release. These procedures include, but are not limited to:

- (a) regular senior management meetings to identify issues requiring disclosure;
- (b) release of quarterly sales and production reports;
- (c) regular media releases of important Company matters, including information that may go beyond that requiring disclosure under the continuous disclosure regime; and
- (d) ensuring the Company Secretary is made aware of all disclosures in a timely manner in order to minimise the risk of continuous disclosure breaches.

8. Market Speculation and Rumours

Market speculation and rumours, whether substantiated or not, have the potential to adversely impact Decmil. Decmil's general policy is to respond by advising that "Decmil does not respond to market rumour or speculation".

However, it may be necessary to issue a statement in specific circumstances where:

- (a) Decmil considers it has an obligation to make a statement on a particular matter,
- (b) the market moves in a way that appears to be referable to the comment or speculation and a statement in response has not previously been made, or
- (c) in response to a formal request for information by ASX.

9. Breaches and Liability

If Decmil fails to notify ASX of information required to be disclosed in accordance with Listing Rule 3.1, it contravenes its legal obligations and may be guilty of an offence under section 674 of the Corporations Act. Decmil may face civil and criminal liability for the contravention of the Corporations Act.

The Directors and officers of Decmil responsible for the disclosure may also face civil liability and where they aid and abet the Company in an offence they may be criminally liable.

MARKET COMMUNICATION

10. Market Communication Policy

Decmil is committed to providing accurate information to all shareholders and market participants and follows a yearly program of regular disclosures to the market on its financial and operational results. This is complemented by disclosures during the year as events occur outside the Company's financial calendar.

Decmil's Chief Executive Officer and Chief Financial Officer interact regularly with the market through results briefings, ASX announcements, one-on-one briefings and meetings. In addition, Decmil provides background and technical information to institutional investors and analysts in support of major announcements and presentations lodged with the ASX.

All contact with external parties is on the basis that material information will not be discussed unless that particular information has been formally disclosed to the market via an ASX announcement.

The only Decmil employees authorised to speak on behalf of the Company to institutional investors/analysts and financial media are:

- Chairman
- Chief Executive Officer,
- Chief Financial Officer,

11. Release of Briefing Materials

Any written materials containing new information to be used in briefing media, institutional investors and analysts are lodged with the ASX prior to the briefing commencing. On confirmation of receipt by the ASX, the briefing material is posted to Decmil's website.

Media releases, quarterly reports, and Annual General Meeting speeches are also lodged with the ASX and on confirmation of receipt by the ASX, these are posted to Decmil's website.

In addition to the above, the Company maintains a database of third parties (including media, analysts, government and institutional investors) who receive a copy of this material via e-mail following ASX confirmation.

12. Communication with the Investment Market Prior to the Release of Results

Decmil's continuous disclosure obligations apply at all times of the year. However, Decmil recognises that in the periods between the end of the financial reporting periods (30 June and 31 December) and the announcement of results to the market (**Results Period**), meeting or having contact with the investment community may give rise to an inference of unfair dealing by the Company.

To avoid such an inference, the following arrangements apply during the Results Period:

- (a) all requests from the investment community to meet or make contact with the Company must be referred to the Disclosure Committee;
- (b) the Disclosure Committee will determine whether, and on what basis, the meeting or contact will proceed; and
- (c) if the meeting or contact proceeds, the Company representative will advise the participants that the Company will be releasing its results shortly and, for this reason, the Company will not discuss its expected financial results beyond what has already been disclosed to the ASX.
- (d) Decmil maintains a record of all meetings held with the investment community in the period between the financial reporting and the Results Period.

13. Briefings of Media, Institutional Investors and Analysts

Decmil hosts briefings for media, analysts and institutional investors to discuss information already released to the market via the ASX. In hosting briefings Decmil's policy is to not disclose or discuss material information unless it has already been released to the market via the ASX.

Where a question raised in a briefing can only be answered by disclosing material information, Decmil will decline to answer it or shall take it on notice and wait until the information has been released to the market via the ASX prior to responding.

Decmil maintains a record of all media, analysts and institutional investors briefing including details of the persons attending and the information discussed.

14. One-on-One Briefings of Institutional Investors and Analysts

Decmil hosts one-on-one briefings for institutional investors and analysts to discuss information already released to the market via the ASX and provide background and technical information to assist analysts and institutions in their understanding of its business.

In hosting one-on-one briefings, Decmil's policy is to not disclose or discuss material information unless it has already been released to the market via the ASX.

Decmil maintains a record of all one-on-one briefings including details of the persons attending and the information discussed.

15. Review of Analyst Reports and Profit Forecasts

Decmil acknowledges the important role performed by analysts in disseminating information on the Company's business to the financial markets.

In reviewing the content of these reports, Decmil may correct factual inaccuracies or historical matters. Decmil will not, however, provide material information or earnings forecast guidance unless it has already been disclosed to the market via the ASX.

16. Accountabilities and Responsibilities

The Disclosure Committee is responsible for applying this policy and ensuring that it is communicated throughout the Company.

The Company Secretary is responsible for monitoring compliance with the Company's disclosure obligations, managing all communications with the ASX and for administering this policy.

17. Internal Communication of Policy and Practices

A copy of this document has been provided to all Directors and senior officers within Decmil.

This Policy was approved, by the Decmil Group Limited Board on 4 November 2009.



Denis Criddle

Chairman of the Board