

9 January 2012

Ms Julia Kagan
ASX Compliance Pty Limited
Level 4, Rialto North Tower
525 Collins Street
MELBOURNE VIC 3000

Dear Ms Kagan

Boom Logistics Limited (the “Company”)

I refer to your e-mail correspondence of 3.08pm on Friday, 6 January 2012. I note your questions (set out below) and Boom Logistics Limited’s responses to each question are provided in italics below.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.

No.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Not applicable.

3. Is there any reason to think that there may be a change in the operating profit before abnormal items and income tax so that the figure for the half year ended 31 December 2012 would vary from the previous corresponding period (or any prior guidance provided to the market) by more than 15%? If so, please provide details as to the extent of the likely variation.

No.

On 22 August, the Company provided the following guidance to the market in respect of its outlook for FY 2012:

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Boom Group

- **EBIT range of \$35 - \$40 million for FY12.**
- **Net Tangible Assets per share expected to increase to \$0.53 at 30 June 2012, up from \$0.49 at 30 June 2011.**
- **ROCE to increase to c. 10% at 30 June 2012, up from 6% as at 30 June 2011.**

Crane Logistics

- **EBIT of c. \$45 million, with capital expenditure of c. \$65 million.**
- **ROCE to increase to c. 15% at 30 June 2012, up from 12% as at 30 June 2011.**

Boom Sherrin

- **EBIT of c. \$6 million.**
- **ROCE to be c. 8%.**

This guidance was reaffirmed at the Company's Annual General Meeting on 28 October 2011.

Management reaffirm the guidance set out above.

4. Is there any reason to think that the Company may record any material abnormal or extraordinary items for the half year ended 31 December 2011? Is so, please provide details.

In line with plans announced to the market, the Company has continued to reshape the business by:

- **selling the non-core Melbourne Tower Crane assets for \$7.5 million. This exit resulted in a profit on sale of circa \$3 million (announced to the market on 12 October 2011); and**
- **a restructure of the Boom Sherrin business (announced to the market on 28 October 2011). Details of the restructure are as follows:**
 - **Closure of six branches.**
 - **Redeployment of over 400 assets.**
 - **Reduction of 54 permanent roles.**
 - **FY12 restructuring expense of \$2.5 million.**
 - **Ongoing annualised benefit expected to be c. \$6 million per annum.**

As at 31 December 2011, this restructure was largely complete and in line with expectations.

The Company does not expect any abnormal or extraordinary items other than those noted above.

5. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?

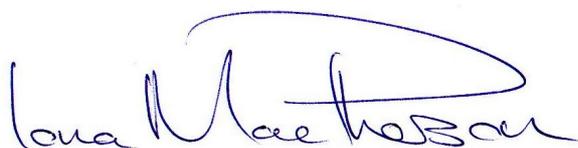
No.

The Company continues to execute to its strategy, supported by:

- ***A strong FY12 first quarter reflecting the impacts of its strategic focus and providing a solid base for FY12.***
 - ***Lower fixed cost base through business exits and restructure.***
 - ***Flatter management structure.***
 - ***Improved systems.***
 - ***Debt financed in August 2011 – a \$150 million, 3 year facility with a lower cost of funds.***
 - ***Significant growth expectations from Boom's blue chip customer base.***
 - ***\$450m of new tender opportunities in the FY12-14 Crane Logistics new business pipeline.***
 - ***A focus on cost management and development of capability in high growth, remote regions.***
6. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Yes.

Yours sincerely
Boom Logistics Limited



Iona Macpherson
Chief Financial Officer and Company Secretary