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**Boom Logistics acquires national dry hire
and crane sales group**

Boom Logistics today announced the \$60 million acquisition of the James Group, a national dry hire crane provider, and new & used crane sales business.

The purchase price consideration includes an issue of \$6 million in ordinary shares at an issue price of \$4.30 per share. The balance of the funds will be paid in cash from Boom's existing financial resources.

The James Group is an established business that commenced operations in 1954. Annual turnover for the James Group for the year to June 30, 2006 was \$44 million. The business maintains a dry hire fleet of 70 mobile cranes and operates nationally from bases in Victoria, Western Australia and Queensland.

Boom's chief executive officer, Rod Harmon said he was delighted with the acquisition. He said the James Group business is complementary to the company's existing national crane hire network, and further consolidates Boom's position as the leading lifting solutions group in Australia.

Mr Harmon said part of the acquisition included the James Equipment business, which specialises in the sale of used mobile cranes and holds an exclusive national licence to sell new Tadano cranes. Tadano manufactures and distributes on a world wide basis a full range of mobile cranes.

He said the crane sales business added a further degree of vertical integration to Boom's operations, which will enable the company to offer its customers a more comprehensive and streamlined service.

The current manager of the James Group, Brendan James, will continue to manage the business for Boom and will join the Boom executive team, reporting directly to Mr Harmon. Settlement of the transaction is expected to occur on 1 August, 2006 and will be EPS positive this financial year.

"Boom has a history of successfully acquiring and strengthening businesses that can deliver sustainable earnings growth. We are confident that this acquisition will be no exception," Mr Harmon said.

About Boom Logistics

Boom Logistics is a leading Australian lifting solutions company with a pivotal position in the burgeoning industrial maintenance, engineering construction and resources sector. The logistics group sells a range of lifting services including:

- Managed lifting solutions
- Contractual maintenance arrangements
- Engineering services and maintenance
- Equipment hire

Headquartered in Melbourne, Boom currently employs more than 1300 people nationally through its Boom Logistics crane operations and fully owned subsidiary Sherrin Hire. More company information is available at www.boomlogistics.com.au

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