



Lifting Solutions

The newsletter of BOOM Logistics Ltd.

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Lifting and access solutions - market points to Boom and Sherrin Hire ... as preferred supplier.

Users of crane hire services and access equipment hire services have been showing an increasing trend towards using the combined services of Boom Logistics and Sherrin Hire.

Filings with the Australian Stock Exchange show that Boom Logistics, together with its subsidiary company Sherrin Hire, has reported a huge increase in revenue.

Figures quoted in Boom's latest six month financial report which include the subsidiary Sherrin Hire, report the large increase in turnover.

For the six months to the 31st December 05, the accumulated revenue was \$121.9 m representing an increase of 105% on the previous corresponding six months.

"The successful acquisition of Sherrin Hire by Boom Logistics in August 05, and subsequent organic growth rate of 14% for the combined business, signals customer willingness to use Boom and Sherrin Hire, more so than before," said Rod Harmon, Managing Director of Boom Logistics.

The important thing for customers and their preferences for Boom and Sherrin Hire as

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Two of Boom's cranes at work at a distant mine site in W.A. - 180 tonne and 200 tonne Grove cranes. With Boom's and Sherrin Hire's network of depots across Australia, distant sites are not a problem.

Innovative design with latest Travel Towers.



The Sherrin Hire division of Boom recently acquired two of the latest and most innovative designs in high reach Travel Towers.

Maximum lift height is an incredible 55 m and the reach can extend as far out as 29 m. Maximum lift capacity is 700 kg. and the hydraulic winch, which is mounted in the basket is capable of lifting 300 kg. This is an additional feature that is not available in other 55 m Travel Towers.

The two recently acquired Travel Tower units with a maximum safe reach height of 55 m, a maximum working load of 700 kg. and an 8 x 8 Rough Terrain truck.

These new units will typically service high voltage power transmission lines. This often involves travelling over difficult surfaces and so the truck has an 8 x 8 Rough Terrain configuration and is fitted with one of the most advanced computerised management systems.

Gross Vehicle Weight is 32 tonnes.

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CEO's Column

by Rod Harmon

For our customers, of both Boom and Sherrin Hire, it continues to be good news since last reporting to readers via this column.

Importantly, our fleet has been significantly expanded, ensuring that we can have cranes and access equipment out on the job when and where our customers require.

Our operations supporting mining at one of the world's largest coal deposits in the Bowen Basin, have been significantly expanded - in terms of equipment and skilled people - following the recent acquisition of Camilleri Industries Australia based in Mackay, Queensland. I would like to warmly welcome, to Boom, the team at CIA.

Further additions have been to our Travel Tower fleet at Sherrin Hire. This is part of ensuring we continue to maintain a position of preferred supplier in this sector, as well as continuing to provide innovative and state-of-the-art services to our customers. Servicing of high voltage power transmissions lines represents a major part of the work and hence reliability around the clock, 7 days a week is critical. Boom is well placed to maintain a high level of reliable support.

Our crane fleet now exceeds 490 units. By far the biggest fleet in Australia! enabling us to live up to our statement of Providers of Lifting Solutions to Australia.

Our Sherrin Hire division has continued to enhance its standards of excellence with its fleet of access equipment and complimentary equipment.

Our ability to now provide a complete tailored lifting solution on a national and local basis, supported by our depth of engineering skills and high safety standards, provides our customers with a high degree of flexibility and assurance of outcome.

Our staff, at both Boom and Sherrin Hire depots, 52 in all, across all states of Australia, are achieving higher levels of efficiency for our customers.

The issue of developing people - especially bringing on younger people is very important to us. Training facilities continue to be developed for a wide range of staff. We are eager to develop operator skills in the future, we are also committed to apprentice schemes.



The two Boom cranes at the Perth site ...the task was to top and tail the huge 136 tonne Tunnel Boring Machine. Photo courtesy Leighton Kumagai Joint Venture.

Degree of difficulty... 8.5 out of 10.

A major engineering milestone was recently undertaken in Perth which involved the construction of two tunnels under William St., in the CBD, for the Southern Railway Project.

A key part of the work was lifting the huge Tunnel Boring Machine into place for the Leighton Kumagai Joint Venture. We used two big cranes, a 400 tonne Liebherr and a 300 tonne Demag for the job of lowering the massive 14 m. deep launch box at the Esplanade site.

"We had to top and tail the main part of the 136 tonne Tunnel Boring Machine to lower it 18m below ground. This was a major task," said Ray Bullard of Boom's Welshpool depot.

"It was probably the sort of job that no one else in Perth could have done at the time. The key part of the success was the huge amount of detailed planning in advance.

"The contractor chose mobile hydraulic cranes in order to minimise set up time to just two hours, despite the congestion and lift difficulties. If a crawler had been used, it would have taken two days to set up," explained Ray.

The big message for observers of the project is that for a very difficult lift where the skills of experts are required, Boom Logistics has the heavy lift supervisors, the ideal operators and the right equipment to complete the lift on time.

Staff training and apprenticeships.

One of the great things about the Boom workforce is the relatively extensive experience in its ranks.

Boom is, however, quick to recognise the need to continue to supplement such a team with young up and coming people

thereby continuing its strength. Hence the importance Boom places on implementing an Apprenticeship Scheme.

Young apprentices can see a strong future in the industry ... and a company that can offer so many different employment opportunities.

The financial markets continue to give our performance a strong endorsement.

This is especially gratifying for our employees and suppliers, many of whom hold shares in Boom Logistics.

The steadily growing share price is not the only indicator of success... it is also what astute analysts are saying about our management

ability, the skill of our workforce, our direction for the future and the industry sectors in which we operate.

A few brief figures on Boom Logistics today.

Staff; now over 1,300 people, Depots; 52 across Australia. Cranes across Australia; 490 and over 2,000 pieces of other equipment

Another raising of capital ... \$70 m.

The recent capital raising has refilled the tanks for future acquisitions and organic growth. Importantly, for our customers, it creates the ability for Boom to continue to increase our provision of services with our fleet of cranes and equipment.

“We want to continue to meet the new and additional needs of our customers, maintain high standards with cranes and to maximise the capability of our staff,” explained Managing Director, Mr. Rod Harmon.

Boom expands crane fleet in Central Qld.

To further improve our ability to meet the needs of the huge coal mining region in Central Queensland - one of the world's largest coal deposits and mining operations - Boom has added another 48 cranes to its fleet based in the Bowen Basin.

This increase in fleet numbers followed Boom's acquisition of Camilleri Industries Australia, based Mackay.

Boom's expanded fleet, experienced executive team, high standards in staff training, excellent site supervisors and very skilled crane operators, provide mining companies and their contractors with an exceptionally high standard of support and service.

Lifting and access solutions- market points to Boom and Sherrin Hire

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a preferred supplier, is the ability to provide a one-stop-shop for lifting and access equipment, supported by skilled experts and highly experienced staff.

Whatever our customers might need in lifting equipment, mobile cranes and access equipment such as Elevating Work Platforms, Boom Lifts, Travel Towers and complimentary support equipment, Boom and Sherrin Hire are delivering these services effectively and efficiently.



Living proof of the true meaning of partnering ... the working relationship between Belle Banne and Boom Logistics. Pictured is Ian Daye, Director, Belle Banne, left, Brenton Salleh, General Manager, Victoria, Boom Logistics and Richard Hull, Director of Belle Banne, at Belle Banne's new head office in Dandenong South, Victoria.

Putting real meaning into the term 'partnering'.

One of the buzz words in industry that has been used in recent years has been the term 'partnering' ... but it is not all that often that it is applied in the fullest and most co-operative way.

The relationship between Belle Bane, a Victorian based engineering company specialising in conveyor maintenance, and Boom's crane hire depots in Victoria (Braeside in Melbourne and Morwell in the Latrobe Valley) has emerged as one of the best examples of a supplier - customer partnering agreement.

“It has arisen out of many years of working together and adopting a position of trust by both companies,” said Brenton Salleh, General Manager for Boom Logistics in Victoria.

“And, we would agree that is the basis of our working together,” said Ian Daye, a director of Belle Banne.

One of the good things that has emerged out of the partnering deal for both parties is the method of charging, by Boom, for crane hire services.

“It is a give and take arrangement,” said Brenton.

“We look at Belle Bane's maintenance work over a two year period and estimate what is needed from Boom, we then estimate a pool of hours and structure a lump sum charge accordingly.

“A more-or-less fixed price is a great help to Belle Banne for their tendering in a very competitive market. Our long standing involvement with Belle Banne, on an exclusive supplier basis, has helped us fully understand their business and be a real partner with them.

“We track usage of our cranes during the year and if there is a major under use

we rebate money back to Belle Banne. Equally, if there is extra to the contract rate of usage, there is an adjustment for extra agreed charges. We have worked together for several years in this way,” added Brenton.

As Ian explained, his company has found this approach of establishing a pool of hours, has been a good way of avoiding problems with costs.

The partnering concept also extends to ensuring that Boom has cranes available at all times.

Belle Banne has a major commitment in the coal mining area of the Latrobe Valley in Victoria ... in particular the maintenance work on the conveyor belt system for moving coal, from the coal face to fire the generators.

There are around 70-80 million tonnes of coal that has to be moved annually on 50 km of conveyor system in one of the Latrobe Valley contracts. With coal supply reliability being critical for the electricity generators it is absolutely critical that maintenance is kept up to date and the conveyors keep working.

Boom, as part of the partnering arrangement with Belle Banne, positions itself to give total 24/7 support.



A more or less fixed price from Boom is a great help to Belle Banne for their tendering, says Brenton Salleh of Boom Logistics, pictured above.

New Travel Tower increases range of access equipment ... 18 m. lift.

Organizations requiring Travel Towers have consistently returned to Boom / Sherrin Hire. The latest addition to Sherrin Hire's fleet will no doubt add to the value of our services for our customers.

The new Travel Tower, known as a Glove and Barrier unit, has recently been added to the Sherrin Hire fleet, primarily for use by people servicing power transmission lines.

As a heavily insulated unit, they more than comply with the latest Australian Safety Standards. Improvements include excellent insulation for the bucket (a further advance over other units in the fleet) as well as enhanced insulation around the whole unit.



The new Travel Tower, which has achieved new standards in design. It features more fibreglass components ... has a reach height of 18 m.

In particular, the lower boom is heavily insulated - if it touches a live cable it doesn't short circuit to ground.

The new units are also equipped with a fly boom, totally constructed of GRP fibreglass which is fully moulded. It is different to other booms in that it is all fibreglass with no steel sections moulded in at the ends.

Reach height is 18 m. and operating radius is 11 m.

Insulation rating is 132 kV.

To help users of the Travel Towers, it is fitted with a radio remote control operating system.

Basket capacity is 350 kg. net.

BHP Billiton acknowledges Boom standards.

A large amount of crane work was involved in a recent equipment shutdown at the Port Hedland plant of one of the subsidiaries of BHP Billiton - the world's biggest mining company.

Huge quantities of iron ore are mined by the company and shipped out through Port Hedland, in Western Australia. This requires maintenance programmes to be completed right on time and within stringent safety standards.

Boom Logistics was the crane hire company of choice and, following the successful completion of the work, Boom received this letter of acknowledgment and thanks. Well done to all involved.



Competition for National Safety Message

A competition has been set up to help find a National Safety Message for Boom Logistics and Sherrin Hire to promote across its national business ... and a handy prize is there for the winner.

"We see the safety message being used to promote and raise safety awareness throughout our entire network of depots across Australia." said Frank Legena, National Manager - Quality, Safety & Risk, at Boom Logistics.

All staff members are encouraged to enter the competition. Simply create a message and post or e-mail it to our communications consultants, Northfield Communications Pty. Ltd., at 139 Beach St., Port Melbourne, Vic., 3207. E-mail: northcom@bigpond.net.au

Ensure your name, address and phone number is clearly marked.

Entries close on the 28th July 06.

A safety kit (including a fire extinguisher) will be supplied for the car and home of the winner of the competition.

Get on board. This is your opportunity to make a positive contribution to safety in the Boom Logistics work place.

Brave men ... stout hearts ... performing despite the conditions.

... Boom is in there too

The world's biggest ocean yacht race, The Volvo Ocean Race, previously known as the Whitbread Round the World Race, captures the imagination of many many people.

It is the extreme conditions, the world leading technology in the yachts and the deep keels of the men who sail the remarkable 21 m. (70 ft.) craft that deliver such a good result ... these are but just some of the drivers.

The race started in the famous naval port of Portsmouth, England, travelled down the west coast of Africa, literally flew across the Southern Indian Ocean - pushed by the Roaring Forties - stopped for a rest period in Melbourne and received help from Boom Logistics. It then pushed on to round Cape Horn via the incredibly temperamental Drake Passage then on to New York for another spell, then across 'The Pond' to Portsmouth, on to the Hebrides off northern Scotland and finally to Gothenburg, in Sweden, an overall distance of 31,250 nautical miles.

When the craft ventured well south into icy seas, visibility might be only 400 metres at times and sailing through the gaps between ice bergs could require deviations as little as 10 degrees. Imagine trying to achieve that in high winds and heavy seas !

It's life at the extreme ... the Everest of sailing and requires the utmost skill, endurance and competitive spirit. These were some of the reasons that inspired Boom Logistics to offer support to the race.

Another part of the great test for the crews is the conditions in which they live, accommodation for a crew of 10 is about the size of a single car garage and the bunks, about 45 cm. wide, are constantly moving. No fresh food is taken on board and the crew experience temperatures from -5 to 40+ degrees Celsius. Only one change of clothes is taken on board. The boys trust their boat to the skipper while they also experience hunger and sleep deprivation .. usually no more than four hours of sleep at a time.

What is it that drives men to endure such deprivation? There is no specific answer ... its more than the thrill of a win.

We asked another great sportsman who endures similar deprivation - one of the world's top mountaineers. He too could not really offer a detailed explanation but did quote another famous sailor - Captain James Cook who said: "I want to sail as far as man can sail ... and then beyond."



One of the two superb 21 m racing craft sponsored by ABN Amro that reflect great advances in technology and achieve incredible speeds in open seas, around 23.4 nautical miles per hour.

It's part of the great human spirit ... deeply seated determination hidden in the depths of some human minds ... a drive that takes humanity on to better things, a force which has resulted in you and I living a far better life than earlier generations.

Despite the extreme conditions for which the craft are built they can sail at extreme speeds. To compare ... the fastest Sydney to Hobart yacht on record *Wild Oats* covered the distance in just under two days (1 day, 18 hours 40 minutes and 10 seconds). A V70 craft, as used in the big Volvo race, when travelling at high speed, could cover the same distance in just over half the time ... 24 hours!

We are talking speeds of 23.45 nautical miles per hour, with one of the two ABN Amro boats, compared with *Wild Oats* 14.74 n. miles per hour.

One of the secrets for the great speed is the canting keel - the angle of the keel, in relation to the underside of the hull, can be hydraulically controlled. As good as this relatively new technology is, it has been the cause of about 90% of the boat breakdown problems.

When tapped on the shoulder to help these intrepid men, Boom responded and was prepared to go that extra mile.

Involvement was initial de rigging (removing the mast) from all but one boat, then lifting the boats from the water and placing each craft into a custom made cradle. These craft, each worth \$20 m, had to be handled with great care !

The Boom fleet included a 140 tonne Grove to handle *Movistar*, a 120 tonne Demag for *Ericsson* and *Mad Max* and a 250 tonne Demag for extra support.

To bring extra skill to bear, Boom Logistics' dogman Brent Stacey, himself an intrepid sailor racing smaller craft, attended each day to help with the much appreciated crane work.

"We discovered down at the Docklands site that the ABN Amro marquee had the best breakfasts by far, *The Pirates of the Carribean* had the best lunches and the best dinners were an even split between *Ericsson* and ABN Amro. All of them good sports," said Brent.



Dogging was part of the careful crane work when lifting the \$20 m. craft back into the water. Pictured is Boom Logistics', Brent Stacey, himself a star performing yachting, in slightly smaller craft.

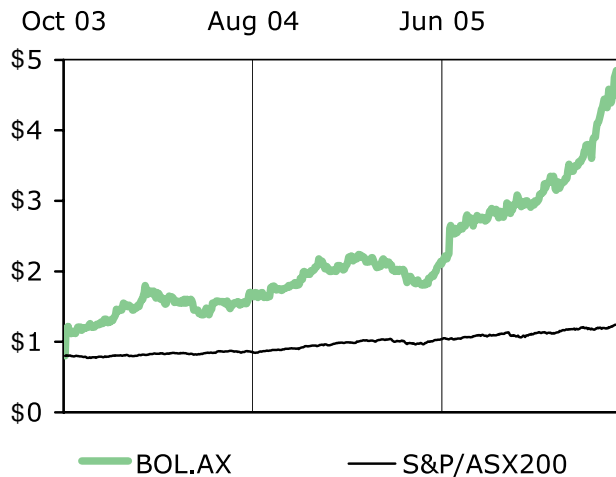
Good news for investors ... large and small.

The April 06 report from the highly regarded share brokers and investment advisers, ABN Amro, comments very favourably on the performance of Boom Logistics.

They retain their 'Buy' recommendation based on Boom's share price of around of \$4.55 ... and they also forecast a target price of \$4.95. It is a price upgrade of 13%.

"Boom is the industry leader and consolidator in a very fragmented market," said Chris Sleep, Analyst with ABN Amro.

"Recent strength (particularly Sherrin) reminds us that Boom (so far) has a very strong record in finding, executing and integrating acquisitions," he added.



This graph shows the steady rise in Boom's share price from the Initial Public Offering in October 03 to April 06.

A growth from \$0.80 to \$4.60 (as at early May 06) shows a rise of \$3.80 (475%) in 30 months. That equates to an average annual growth of 190%. A very healthy return from a solid company.



To climb down this Tower Crane, which was as close to the glass as 15 cm. in some sections the building contractor, Multiplex, called in the experts Boom Logistics. The upside for Multiplex, a saving of more than \$150,000.

Dismantle the crane ... but don't break the glass !

Done ... and with a \$150K bonus for the customer !

The tower crane stood alongside a 40 storey glass faced building and, in some places, alarmingly close to the glass ... just 15 cm. away.

This allowed very little room for error when 'climbing down' the tower on this site in Melbourne's C.B.D.

There were issues such as the possibility of tower flex, of up to 30 cm., when tension was released as a result of the tower's stays being disconnected ... let alone the effects of any unexpected wind gusts.

It was an exercise based on absolute precision, skill and experience.

The tower had originally been 'climbed up' by the company which had been doing the crane work but the head contractor, Multiplex, choose Boom Logistics for the very tricky task of climbing down the tower.

For Multiplex the selecting of Boom also meant a considerable cost saving.

Whereas the conventional approach would have been to position the dismantling crane in the busy C.B.D. street, Bourke St., with the attendant traffic management issues and interrupted tram services, Boom was able to engineer a way of positioning the mobile (dismantling) crane quite differently by adapting to a suspended concrete floor slab on the building site itself.

The need for traffic management and hold ups for trams was avoided.

Boom personnel and the engineer on the job estimated our better way saved Multiplex at least \$150,000. Great work guys.

Boom entry into ASX Top 200 Index.

A remarkable milestone was achieved in March this year by Boom Logistics.

Standard & Poor's Index Services, the leading provider of equity indices in Australia, announced Boom Logistics' inclusion in the key ASX200 Index.

In short, this means that from a much smaller, somewhat humble beginnings in 2002 and floating on the Australian Stock Exchange in October 2003 (still as a relatively small company in ASX terms) the company has grown in an extraordinary way to be included in the top 200 companies listed on the ASX.

Lifting solutions services are electing to use Boom Logistics.

This recognition provides our customers with added security in using Boom Logistics'.

"This is a great result, and will trigger some index buying as Index Managers re-weight to the new composition of the ASX200," said Naomi Flutter of Equity Capital Markets in the Sydney office the worldwide Deutsche Bank AG group.