

Boom Logistics Limited

ACN 095 466 961

Notice of Annual General Meeting

NOTICE is given that the Annual General Meeting (**AGM or Meeting**) of Boom Logistics Limited (ACN 095 466 961) (the **Company**) will be held at 11:00am (AEDT) at the offices of KPMG Level 37, Tower Two, Collins Square, 727 Collins Street, Docklands, Melbourne, Victoria 3008 on Wednesday, 21st November 2018 to consider the items of business set out below.

The Explanatory Memorandum accompanies and forms part of this Notice of Meeting. This document provides additional information on matters to be considered at the meeting and should be read in its entirety.

If you are unable to attend the meeting please complete and return the enclosed proxy form in accordance with the specified instructions.

Members can submit questions they would like raised at the AGM using the form included with this Notice of Meeting. We will respond to the more frequently asked questions at the AGM in the Chairman's and Managing Director's addresses, but as you would appreciate, we will not be able to respond to questions individually. Members will have an opportunity to ask questions of the Board and the Auditor at the AGM.

1. ORDINARY BUSINESS

Item 1 Financial Statements and Reports

To receive and consider the Financial Statements and the Reports of the Directors and the Auditor for the year ended 30 June 2018.

No vote of members is required on the Financial Statements and Reports.

Item 2 Re-election of Director – Mr Terence A Hebiton

To consider and, if thought fit, pass the following as an **ordinary resolution**:

“That Terence A Hebiton, who retires in accordance with ASX Listing Rule 14.5, and being eligible, be re-elected as a Director of the Company.”

Chairman's voting intention

If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him how to vote by either marking the boxes for Item 2 (for example, if you wish to vote for, against or abstain from voting), or you can give the Chairman your express authority to vote your proxy in accordance with the Chairman's intention set out below.

The Chairman of the Meeting intends to vote all available proxies in **favour** of this resolution.

In considering this resolution, the attention of members is drawn to the qualifications and work experience of Mr Hebiton as set out in the attached Explanatory Memorandum.

Item 3 Adoption of Remuneration Report

To consider and, if thought fit, pass the following as an **ordinary resolution**:

“That the Remuneration Report for the year ended 30 June 2018 be adopted.”

The vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement for Item 3

The *Corporations Act 2001 (Corporations Act)* restricts members of the key management personnel (**KMP**) and their Closely Related Parties from voting on the resolution in Item 3.

“**Closely Related Party**” is defined in the Corporations Act and includes a spouse, dependants and certain other close family members, as well as companies controlled by a member of the KMP.

The Company will disregard any votes cast on the resolution in Item 3:

- by or on behalf of a member of the KMP named in the Remuneration Report for the year ended 30 June 2018 or their Closely Related Parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a member of the KMP on the date of the AGM or the Closely Related Parties of those persons,

unless the vote is cast:

- as proxy for a person entitled to vote on Item 3 in accordance with a direction on the proxy form; or
- as proxy for a person entitled to vote on Item 3 by the Chairman of the Meeting where he has been expressly authorised to exercise the proxy (even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP).

What this means for members:

In accordance with the voting exclusion set out above, members of the KMP (other than the Chairman) are not permitted to vote undirected proxies on the resolution in Item 3.

If you intend to appoint a member of the KMP (other than the Chairman) as your proxy, please ensure you direct them how to vote on the resolution in Item 3.

Chairman’s voting intention

If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him how to vote by either marking the boxes for Item 3 (for example, if you wish to vote for, against or abstain from voting), or you can give the Chairman your express authority to vote your proxy in accordance with the Chairman’s intention set out below.

The Chairman of the Meeting intends to vote all available proxies in **favour** of this resolution.

2. SPECIAL BUSINESS

Item 4 Grant of Rights and Options to the Managing Director

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, **approval** be given for the issue of the following Rights and Options to the Managing Director under the Company’s Executive Remuneration Plan on the terms summarised in the Explanatory Memorandum:*

- (a) The issue of Rights to the Managing Director up to a maximum value of \$180,000 in relation to the FY19 Salary Sacrifice Rights Plan;*
- (b) The issue of Rights to the Managing Director up to a maximum value of \$120,000 in relation to the deferred component of the FY19 Short Term Incentive Plan; and*
- (c) The issue of Options to the Managing Director up to a maximum value of \$300,000 in relation to the FY19 Long Term Incentive Plan.”*

Voting Exclusion Statement for Item 4

The Corporations Act restricts members of the KMP of the Company and their Closely Related Parties from voting undirected proxies on the resolution in Item 4 in certain circumstances. In addition, a voting restriction applies in respect of this item of business under the ASX Listing Rules.

The Company will disregard any votes cast in favour of the resolution in Item 4 by or on behalf of Mr Tony Spassopoulos, or any of his associates (regardless of the capacity in which the vote is cast), as well as any votes cast as a proxy on this item by a member of the KMP on the date of the AGM or a KMP’s Closely Related Party.

However, the Company need not disregard a vote if it is cast:

- as proxy for a person entitled to vote on Item 4 in accordance with a direction on the proxy form; or
- as proxy for a person entitled to vote on Item 4 by the Chairman of the Meeting where he has been expressly authorised to exercise the proxy (even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP).

What this means for members:

In accordance with the voting exclusion set out above, members of the KMP (other than the Chairman) are not permitted to vote undirected proxies on the resolution in Item 4.

If you intend to appoint a member of the KMP (other than the Chairman) as your proxy, please ensure that you direct them how to vote on Item 4.

Chairman’s voting intention

If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him how to vote by marking the boxes for Item 4 (for example if you wish to vote for, against or abstain from voting), or you can give him your express authority to vote your proxy in accordance with the Chairman’s intention set out below.

The Chairman of the Meeting intends to vote all available proxies in **favour** of this resolution.

PROXIES AND VOTING

Required majority

Ordinary resolutions will be passed if more than 50% of the votes cast by members entitled to vote on the resolution are cast in favour of the resolution.

The vote on each resolution will be decided on a show of hands or a poll as determined by the Chairman of the meeting, subject to any requirements of the Corporations Act and the Company's Constitution.

On a resolution determined by a show of hands, each member present in person or by proxy has one vote. On a resolution determined by a poll, each member present in person or by proxy has one vote for each fully paid ordinary share held.

Appointment of proxy

If you are unable to attend the Meeting, you are encouraged to appoint a proxy to attend and vote on your behalf. If you wish to appoint a proxy, please complete the enclosed form of proxy.

Please note the following in relation to the appointment of a proxy:

- A member who is entitled to attend and vote at this Meeting may appoint any person as his or her proxy to attend and vote for the member at the meeting.
- A member may specify the way in which the proxy is to vote on the resolution or may allow the proxy to vote at his or her discretion. However, the Corporations Act restricts the Company's KMP and their Closely Related Parties from voting on Items 3 and 4 in certain circumstances. "Closely Related Party" is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by the KMP. If you wish to appoint a member of the KMP (which includes each of the Directors and the Chairman) as your proxy, please read the voting exclusions in this Notice and the proxy form carefully. Members are encouraged to direct their proxies how to vote.
- If a member intends to appoint a member of the KMP (other than the Chairman) as proxy, the member must ensure the proxy is directed how to vote on Items 3 and 4 (ie. indicating whether the member wishes to vote for, against or abstain from voting).
- If a member intends to appoint the Chairman of the Meeting as proxy, the member can direct him by marking the boxes (ie. indicating whether the member wishes to vote for, against or abstain from voting). Alternatively, the member can choose to not mark any of the boxes, and by completing and submitting the proxy form, the member will be giving the Chairman the member's express authority to vote in accordance with the Chairman's intentions.
- The Chairman currently intends to vote in **favour** of all items of business. If there is a change to how the Chairman intends to vote undirected proxies, the Company will make an announcement to the market.
- Any directed proxies that are not voted on a poll at the meeting will automatically default to the Chairman of the Meeting who is required to vote proxies as directed.
- If a member is entitled to cast two or more votes at the Meeting, the member may appoint two proxies to attend on the same occasion. If two proxies are appointed and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the member's votes. On a show of hands, a proxy holder may not vote if more than one proxy holder attends the Meeting and on a poll, each proxy may only exercise votes in respect of those shares or voting rights the proxy represents.
- The appointment of the proxy may specify the proportion or number of votes that the proxy may exercise.

- A proxy need not be a member of the Company and can be either an individual or a body corporate. If a member appoints a body corporate as a proxy, that body corporate will need to ensure that it:
 - appoints an individual as its corporate representative to exercise its powers at the meeting in accordance with section 250D of the Corporations Act; and
 - provides satisfactory evidence of the appointment of its corporate representative prior to the commencement of the Meeting.

If such evidence is not received before the commencement of the Meeting, then the body corporate (through its representative) will not be permitted to act as proxy.

- If a proxy is given by a corporation, a form of proxy must be executed in writing under the common seal of the corporation or otherwise in accordance with section 127 of the Corporations Act or signed by an attorney.
- If a proxy is given by a natural person, a form of proxy must be executed under the hand of that person or that person's attorney.
- A form of appointment of proxy is enclosed. To be effective, the document appointing the proxy holder (and if the appointment is signed or executed by the appointer's attorney, the authority under which the appointment was signed or a certified copy of the authority), must be received by the Company at least 48 hours before the scheduled time for the Meeting, that is by 11:00am (AEDT) on Monday, 19th November 2018.
- The documents will be received by the Company when they are received at the Share Registry at Computershare Investor Services Pty Limited, 452 Johnston Street, Abbotsford, Victoria 3067 or fax number 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia) or on-line at www.investorvote.com.au using your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and your allocated Control Number as shown on your proxy form.
- **Custodian voting** – For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

Persons entitled to vote

Under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that the shareholding of each member for the purposes of ascertaining their voting entitlements at the AGM will be as it appears in the share register at 7:00pm (AEDT) on Monday, 19th November 2018. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

Corporate Representatives

A body corporate, which is a member, may appoint an individual (by certificate executed in accordance with section 127 of the Corporations Act or in another manner satisfactory to the Chairman of the Meeting) as a representative to exercise all or any of the powers the body corporate may exercise at the Meeting. The appointment may be a standing one. The representative must bring a formal notice of appointment with him or her to the Meeting.

Necessary information

Information relevant to each resolution is set out in the attached Explanatory Memorandum which forms part of this Notice of Meeting to members.

By order of the Board.

Malcolm Ross
Company Secretary
 Melbourne
 22 October 2018

Explanatory Memorandum

Information specific to each resolution

This Explanatory Memorandum has been prepared to provide you with material information to enable you to make an informed decision in relation to the business to be conducted at the AGM of the Company.

1. Ordinary business

Item 1 Financial Statements and Reports

The *Corporations Act 2001 (Cth)* (**Corporations Act**) requires:

1. The Financial Report;
2. the Directors' Report; and
3. the Auditor's Report on the Financial Report for the fiscal year ended 30 June 2018

to be laid before the AGM. Neither the Corporations Act nor the Constitution requires a vote of members on the reports or statements. However, members will be given a reasonable opportunity to ask questions about or make comments on the management of the Company.

A reasonable opportunity will also be given to members as a whole at the meeting to ask the Company's Auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the Auditor in relation to the conduct of the audit.

Obtaining a copy of the Annual Report 2018

The Annual Report 2018 will be sent to members in hard copy or electronic copy (if the member has nominated that means as one by which the member may be notified). If you would like to receive a hard copy of the Annual Report 2018 free of charge you can contact Boom Logistics by email at info@boomlogistics.com.au or on +61 3 9207 2500. Alternatively, the Annual Report 2018 is available on-line at www.boomlogistics.com.au

Item 2 Re-election of Director – Mr Terence A Hebiton

Re-election of Director

In accordance with ASX Listing Rule 14.5, the Company must hold an election of directors at each annual general meeting.

Accordingly, Mr Hebiton will retire at this Annual General Meeting, and being eligible, offers himself for re-election.

Further information in relation to Mr Hebiton is set out below.

Terence A Hebiton

Age: 67

Chairman of the Health, Safety, Environment and Quality Committee. Member of the Audit Committee, Nomination and Remuneration Committee and the Risk Committee.

Mr Hebiton commenced his commercial career in the rural sector. In 1989, he acquired various business interests associated with land and property rental developments. In the late 1990s, Mr Hebiton was Managing Director of Hazdon Holdings Pty Ltd. He was a principal of Alpha Crane Hire, one of the founding entities of Boom Logistics Limited. Mr Hebiton was the CEO of Boom Logistics at its formation, a position he held until 2004. He has been a Director of the Company since 22 December 2000. During the past three years, Mr Hebiton has not held any other ASX listed public company Directorships.

The Board considers Mr Hebiton to be an independent director.

*The Board (other than Mr Hebiton) unanimously recommends that members vote in **favour** of the resolution to re-elect Mr Hebiton.*

The Chairman intends to vote all available proxies in **favour** of this Resolution.

Item 3 Adoption of Remuneration Report

As part of the Annual Report provided to all members, a Remuneration Report is required to be included which sets out details of the remuneration for each of the key management personnel (**KMP**) of the Company which includes all Directors. In addition, the Remuneration Report must describe Board policy in respect of remuneration and its relationship to the Company's performance and provide a detailed summary of any relevant performance conditions, why those particular conditions were chosen, and how performance is measured against them.

Under the resolution in Item 3, the Company is seeking member approval of the adoption of the Remuneration Report by the Company. The outcome of this resolution is advisory only, and is not binding on the Company or the Board.

The Chairman will allow a reasonable opportunity for members to ask questions about, or make comments on, the Remuneration Report.

*The Board unanimously recommends that members vote in **favour** of adopting the Remuneration Report.*

The Chairman of the Meeting intends to vote all available proxies in **favour** of this Resolution.

2. Special Business

Item 4 Grant of Rights and Options to the Managing Director

Summary Explanation

The Board established an Executive Remuneration Framework which was first implemented in the 2017 financial year (**Plan**). The framework will be implemented again in the 2019 financial year and has the following equity arrangements:

- **Salary Sacrifice Rights Plan** – Eligible executives will be permitted to elect to contribute a portion of their pre-tax fixed annual remuneration to acquire equity in the form of Rights to fully paid ordinary shares (**Shares**) in the Company. Following a twelve (12) month exercise restriction, each Right may be exercised and Shares will be allocated on the basis of one Share for each Right.
- **Short Term Incentive Plan (STI) with deferred component (Deferred STI)** – This plan is focused on the Company's short term objectives. Eligible executives will have the opportunity to receive a short term incentive subject to meeting performance hurdles over the financial year. 50% of the STI outcome achieved for the year will be delivered in cash and 50% will be delivered in equity in the form of Rights to Shares. Following a 6 month exercise restriction, each Right may be exercised and Shares will be allocated on the basis of one Share for each Right.
- **Long Term Incentive Plan** – This plan focuses on the Company's long term objectives. Eligible executives will be granted Options to acquire Shares, and some or all may vest at the end of the three year period if the performance hurdles are met. The hurdles are based on absolute earnings per share which in the Board's view supports strong alignment with members' longer term outlook and expectations of a return on their investment in the Company.

Further details of the review of the Plan can be found in the Remuneration Report (see pages 24 to 34 of the 2018 Annual Report).

Approvals sought

ASX Listing Rule 10.14 requires member approval for a Director to be issued Shares in the Company under an employee incentive scheme.

The Managing Director, Mr Tony Spassopoulos, will be invited to participate in the Executive Remuneration Plan for the 2019 financial year (**FY19**) subject to member approval. Accordingly, members are asked to approve the following grants to the Managing Director (**MD**):

- **Salary Sacrifice Rights** – the issue of Rights up to a maximum value of \$180,000 in relation to the amount that the MD may elect to contribute from 1 October 2018 up to 30 November 2019. This equates to 30% of the MD's fixed annual reward (FAR) which is \$600,000.
- **Deferred STI** – the issue of Rights up to a maximum value of \$120,000 in relation to the FY19 STI outcome. The MD's short term incentive opportunity equates to 40% of his FAR. The Rights component is 50% of the STI.
- **LTI** – the issue of Options up to a maximum value of \$300,000 in relation to the FY19 LTI grant. The MD's long term incentive opportunity equates to 50% of his FAR.

Members are asked to approve a maximum value of Rights and Options by dollar value but the actual number of Rights and Options will only be known at the time of the grant, based on the market value of Shares at that time (see below for further details).

Upon exercise of Rights and Options by the MD, the Company intends to first allocate Shares currently held in the Company's Employee Share Trust (EST) which are available because share units under the EST did not vest at the end of FY18 and prior years. This means the Company does not intend to issue new shares or acquire further shares on-market in relation to the MD's Rights and Options until such time as those Shares in the EST have been allocated. To the extent further Shares are required to satisfy the Rights and Options granted under the Plan, the Company intends to acquire Shares on-market or at the Board's discretion may issue new ordinary Shares.

Approval of this resolution will also result in the Rights and Options granted to Mr. Spassopoulos being an exception to ASX Listing Rule 7.1. This means that the Rights and Options granted to Mr Spassopoulos and any Shares issued pursuant to this approval will not use up part of the 15% available under ASX Listing Rule 7.1

Further details of Mr. Spassopoulos' executive remuneration package can be found in the announcement released to the Australian Stock Exchange on 15 August 2018.

Detailed Explanation

Salary Sacrifice Rights Plan – Key Terms

A brief overview of the key terms of the proposed grant of Rights to the Managing Director in relation to the FY19 Salary Sacrifice Rights Plan is set out below.

TERM	DETAIL
Details of the proposed grant of Rights	<p>Subject to member approval, the issue of Rights to the Managing Director up to a maximum value of \$180,000 will be granted to the MD in respect of the MD agreeing to forego up to 30% of his fixed annual remuneration (FAR) (on a pre-tax basis) over the Participation Period (the sacrifice period being from 1 October 2018 to 30 November 2019). The MD's FAR is \$600,000.</p> <p>The exact number of Rights to be granted to the MD will be based on the amount of salary forgone each month and the market value of Boom Shares at the time the salary amount would normally be paid (based on the 5 day volume weighted average price of Boom Shares prior to the relevant date). Rights will be granted twice during the Participation Period.</p> <p>Accordingly, the actual number of Rights will only be known at each Grant Date but in any event, will not exceed the above maximum value set out above.</p> <p>The number of Rights granted to the MD will be notified to members following each of the Grant Dates.</p> <p>The Rights are not subject to any performance conditions. However the MD must be employed by the Company on the relevant Grant Date in order to receive any Rights.</p>
Entitlements	<p>Each Right is a right to acquire one Share, subject to the MD's continued employment at the relevant grant date. Rights do not carry any dividend or voting rights.</p> <p>Rights are non-transferable (except in limited circumstances or with the consent of the Board).</p>
Date of grant	<p>If member approval is obtained, it is intended that Rights will be granted to the MD at the following Grant Dates:</p> <ul style="list-style-type: none"> • Grant Date 1: The second business day following the announcement of half-yearly results (expected to be prior to 28 February 2019) in respect of salary amounts forgone prior to that date, being from 31 August 2018 to 28 February 2019. • Grant Date 2: The second business day following the announcement of the preliminary final statement or full-year results (expected to be prior to 31 August 2019) in respect of salary amounts forgone prior to that date, being from 1 March 2019 to 31 August 2019. <p>In any event, Rights will be granted within 12 months of the AGM.</p>
Exercise Restriction Period	<p>An Exercise Restriction will apply to the MD's Rights for 12 months commencing from the relevant Grant Dates.</p>
Exercise Period	<p>Following the Exercise Restriction Period, the relevant number of Rights become exercisable.</p> <p>Rights may be exercised during the Exercise Period which commences following the end of the relevant Exercise Restriction Period and ending on the date that is 10 years from the relevant Grant Dates.</p>

Price payable for securities	<p>No cash amount will be payable in respect of the grant of Rights but the MD will forego pre-tax salary.</p> <p>There is no exercise price payable on the exercise of Rights allocated to the MD under the Salary Sacrifice Offer.</p>
Allocation of Shares upon exercise	<p>Upon the valid exercise of Rights, one Share in the Company will be allocated in relation to each Right that is exercised.</p> <p>Under the Plan, the Company's obligation to allocate Shares following exercise may be satisfied by issuing new Shares, acquiring Shares on market or transferring Shares from an employee share trust.</p> <p>The Company will operate an employee share trust to acquire, hold or provide Shares for the purposes of the Plan.</p> <p>Upon exercise of Rights by the MD, the Company intends to first allocate Shares currently held in the Company's Employee Share Trust (EST) which are available because share units under the EST did not vest at the end of FY18 and prior years. To the extent further Shares are required to satisfy the Rights granted under the Executive Remuneration Plan, the Company intends to acquire Shares on-market or at the Board's discretion may issue new ordinary Shares.</p>
Trading restrictions	<p>Shares allocated upon exercise of the Rights will not be subject to any further trading restriction, subject to complying with the Company's Securities Trading Policy.</p>
Cessation of employment	<p>Where the MD ceases employment for any reason prior to the relevant Grant Date, he will be paid, in cash, an amount equal to any salary forgone up until the date of cessation (and no Rights will be allocated).</p> <p>If the MD ceases employment with the Company after he has been allocated Rights, but prior to exercising them, he will be entitled to keep his Rights. Where Rights are subject to Exercise Restrictions, the relevant Exercise Restrictions will be lifted on the date of termination of employment with the Company (and must be exercised within 30 days following cessation).</p> <p>The Board also has a broader discretion to apply any other treatment that it deems appropriate in the circumstances.</p>
Other information	<p>No other director of the Company is eligible to participate in the Plan or any other employee incentive scheme of the Company.</p> <p>Mr Spassopoulos commenced as the Managing Director and Chief Executive Officer on 20 September 2018. No Rights have been granted under the Salary Sacrifice Rights Plan to Mr Spassopoulos since he commenced as Managing Director.</p> <p>Mr Spassopoulos holds 118,711 Rights under prior year Salary Sacrifice Rights Plans.</p> <p>There is no loan scheme in relation to the grant of Rights under the Plan.</p>

Short Term Incentive Plan – Key Terms

A brief overview of the key terms of the proposed grant of Rights to the MD in relation to the FY19 STI offer is set out below.

TERM	DETAIL
<p>Details of the proposed grant of Rights</p>	<p>Subject to member approval, the issue of Rights up to a maximum value of \$120,000 will be granted to the MD in respect of the Deferred STI component of his remuneration package for FY19. The MD's STI opportunity equates to 40% of his FAR.</p> <p>The MD will participate in the Company's short term incentive opportunity for FY19 which is subject to meeting specific performance hurdles over the financial year (i.e., from 1 July 2018 to 30 June 2019). Details of the STI will be set out in the FY19 Remuneration Report.</p> <p>Following the end of FY19, 50% of the STI outcome achieved for FY19 will be delivered in cash (cash component) and 50% will be delivered in equity in the form of Rights (Deferred STI component).</p> <p>The exact number of Rights will be determined by dividing the value of the Deferred STI component of the MD's FY19 STI outcome (i.e., 50%) by the volume weighted average price (VWAP) of the Company's Shares over the first five trading days following the announcement of FY19 full-year results. Accordingly, the actual number of Rights will only be known at the time of grant but in any event, will not exceed the maximum value set out above.</p> <p>The number of Rights granted to the MD will be notified to members following the grant.</p> <p>The STI outcome for FY19 must be achieved and the MD must be employed by the Company on the relevant Grant Date in order to receive any Rights. After the Rights have been granted, they are not subject to any further performance conditions.</p>
<p>Entitlements</p>	<p>Each Right is a right to acquire one Share, subject to the MD's continued employment at the relevant grant date and satisfaction of the relevant performance hurdles.</p> <p>Rights do not carry any dividend or voting rights.</p> <p>Rights are non-transferable (except in limited circumstances or with the consent of the Board).</p>
<p>Grant Date</p>	<p>If member approval is obtained, the Rights will be granted to the MD as soon as practicable following the date on which the Board determines the extent to which the FY19 STI Outcome has been determined following the announcement of the preliminary final statement or full-year results (expected to be prior to 31 August 2019). In any event, Rights will be granted within 12 months of the AGM.</p>
<p>Exercise Restriction Period</p>	<p>An Exercise Restriction will apply to the MD's Rights for 6 months commencing from the Grant Date.</p>
<p>Exercise Period</p>	<p>Following the Exercise Restriction Period, the relevant Rights become exercisable.</p> <p>Rights may be exercised during the Exercise Period which commences following the end of the relevant Exercise Restriction Period and ending on the date that is 10 years from the Grant Date.</p>
<p>Price payable for securities</p>	<p>No amount will be payable in respect of the grant of Rights.</p> <p>There is no exercise price payable on the exercise of Rights allocated to the MD under the STI Offer.</p>

<p>Allocation of shares upon exercise</p>	<p>Upon the valid exercise of Rights, one fully paid Share will be allocated in relation to each Right that is exercised.</p> <p>Under the Plan, the Company's obligation to allocate Shares following exercise may be satisfied by issuing new Shares, acquiring Shares on-market or transferring Shares from an employee share trust.</p> <p>The Company operates an employee share trust to acquire, hold or provide Shares for the purposes of the Plan.</p> <p>Upon exercise of Rights by the MD, the Company intends to first allocate Shares currently held in the Company's Employee Share Trust (EST) which are available because share units under the EST did not vest at the end of FY18 and prior years. To the extent further Shares are required to satisfy the Rights granted under the Executive Remuneration Plan, the Company intends to acquire Shares on-market or at the Board's discretion may issue new ordinary Shares.</p>
<p>Trading restrictions</p>	<p>Shares allocated upon exercise of the Rights will not be subject to any further trading restriction, subject to complying with the Company's Securities Trading Policy.</p>
<p>Cessation of employment</p>	<p>Where the MD ceases employment for any reason prior to the FY19 STI Outcome being determined, the treatment of Rights will depend on the circumstances of cessation:</p> <ul style="list-style-type: none"> • Where employment ceases due to resignation or termination for cause or gross misconduct, the FY19 STI Award will lapse and the MD will not receive an allocation of Rights. • Where employment ceases for any other reason the Board may at its discretion determine that the MD's FY19 STI Outcome will be pro-rated (based on the proportion of the performance period that has elapsed at the time of cessation) and will be tested at the end of the original Performance Period. To the extent the relevant performance conditions are satisfied, the MD's FY19 STI award will be paid in cash and no Rights will be allocated. <p>Where the MD ceases employment with the Company after he has been allocated Rights, but prior to exercising them, he will be entitled to keep his Rights. Where Rights are subject to Exercise Restrictions, the relevant Exercise Restrictions will be lifted (and must be exercised within 30 days following cessation).</p> <p>The Board also has a broader discretion to apply any other treatment that it deems appropriate in the circumstances.</p>
<p>Other information</p>	<p>No other director of the Company (other than the MD) is eligible to participate in the Plan or any other employee incentive scheme of the Company.</p> <p>Mr Spassopoulos commenced as the Managing Director and Chief Executive Officer on 20 September 2018. No Rights have been granted under the Short Term Incentive Plan to Mr Spassopoulos since he commenced as Managing Director.</p> <p>Mr Spassopoulos holds 316,058 Rights under prior year Short Term Incentive Plans.</p> <p>There is no loan scheme in relation to the grant of Rights under the plan.</p>

Long Term Incentive Plan – Key Terms

A brief overview of the key terms of the proposed grant of Options to the MD under the FY19 LTI offer is set out below.

TERM	DETAIL										
Details of the proposed LTI grant	<p>Subject to member approval, Options up to a maximum value of \$300,000 will be granted to the Managing Director, Mr Tony Spassopoulos, under the Company's Long Term Incentive Plan (LTI) in respect of the LTI component of his remuneration package for FY19.</p> <p>The exact number of Options will be determined following the AGM at the time of grant and will be calculated using a Binomial valuation methodology. The number of Options granted will be the MD's LTI award (being 50% of his Fixed Annual Remuneration) divided by the calculated option valuation using a 5 day volume weighted average price of Boom Shares following the AGM.</p> <p>Accordingly, the actual number of options will only be known at the time of grant.</p> <p>The number of Options granted to the MD will be notified to members following the grant.</p>										
Entitlements	<p>Each Option is a right to acquire one Share (or an equivalent cash amount), subject to the achievement of the performance condition set out below and payment of the Exercise Price.</p> <p>Options do not carry any dividend or voting rights.</p> <p>Options are non-transferable (except in limited circumstances or with the consent of the Board).</p>										
Date of grant	<p>If member approval is obtained, the Options will be granted to Mr Spassopoulos as soon as practicable after the AGM, but in any event, within 12 months of the AGM.</p>										
Performance hurdles	<p>The Options are subject to an absolute Earnings Per Share (EPS performance hurdle measured over a three year performance period commencing on 1 July 2018 and ending on 30 June 2021.</p> <p>The number of Options that vest (if any) is dependent on EPS performance over the performance period. Any Options which do not vest when EPS performance is tested (at the end of the performance period) will lapse.</p> <p>The absolute EPS achieved at the end of the performance period will be compared to the absolute EPS targets set by the Board to determine the percentage of Mr Spassopoulos' Rights that vests, as follows:</p> <table border="1" data-bbox="453 1552 1375 1921"> <thead> <tr> <th data-bbox="453 1552 916 1653">Earnings Per Share (EPS) at end of performance period</th> <th data-bbox="916 1552 1375 1653">Percentage of eligible Options to vest</th> </tr> </thead> <tbody> <tr> <td data-bbox="453 1653 916 1720">Below \$0.03</td> <td data-bbox="916 1653 1375 1720">Nil vesting</td> </tr> <tr> <td data-bbox="453 1720 916 1787">\$0.03 but less than \$0.035</td> <td data-bbox="916 1720 1375 1787">25% of Options will vest</td> </tr> <tr> <td data-bbox="453 1787 916 1854">\$0.035 but less than \$0.04</td> <td data-bbox="916 1787 1375 1854">50% of Options will vest</td> </tr> <tr> <td data-bbox="453 1854 916 1921">\$0.04 or more</td> <td data-bbox="916 1854 1375 1921">100% of Options will vest</td> </tr> </tbody> </table> <p>The Board retains a discretion to adjust the EPS hurdle as required to ensure that Mr Spassopoulos is neither advantaged nor disadvantaged by matters outside his and management's control that materially affect absolute EPS (for example, by excluding one-off non-recurrent items or the impact of significant acquisitions or disposals).</p>	Earnings Per Share (EPS) at end of performance period	Percentage of eligible Options to vest	Below \$0.03	Nil vesting	\$0.03 but less than \$0.035	25% of Options will vest	\$0.035 but less than \$0.04	50% of Options will vest	\$0.04 or more	100% of Options will vest
Earnings Per Share (EPS) at end of performance period	Percentage of eligible Options to vest										
Below \$0.03	Nil vesting										
\$0.03 but less than \$0.035	25% of Options will vest										
\$0.035 but less than \$0.04	50% of Options will vest										
\$0.04 or more	100% of Options will vest										

Performance period and vesting	<p>The performance condition attached to the Options will be tested at the end of the three year performance period.</p> <p>Any Options that do not vest following testing of the EPS performance hurdle will lapse.</p> <p>The Board will determine the extent to which the Options will vest following the release of the Company’s full year results for FY21 (i.e., the Vesting Date). The final number of Options that vest will be disclosed in the FY21 Annual Report.</p>
Vesting and exercise period	<p>Following the determination of the level of vesting at the Vesting Date, the relevant number of Options become exercisable.</p> <p>Options may be exercised during the Exercise Period commencing on the Vesting Date and ending 30 days from the Vesting Date.</p>
Price payable for securities	<p>The exercise price per Option for Mr Spassopoulos’ FY19 LTI grant will be the 5 day volume weighted average price of Boom Shares following the AGM, and is payable on exercise.</p> <p>No amount will be payable in respect of the grant of Options.</p>
Allocation of Shares upon exercise	<p>Upon the valid exercise of vested Options and payment of the Exercise Price, one fully paid Share in the Company will be allocated in relation to each vested Option that is exercised.</p> <p>Under the LTI, the Company’s obligation to allocate Shares following exercise may be satisfied by issuing new Shares, acquiring Shares on market or transferring Shares from an employee share trust.</p> <p>The Company will operate an employee share trust to acquire, hold or provide shares for the purposes of the Plan.</p> <p>Upon exercise of the Options by the MD, the Company intends to first allocate shares which are currently held in the Company’s Employee Share Trust (EST). To the extent further Shares are required to satisfy the Options granted under the Executive Remuneration Plan, the Company intends to acquire Shares on-market or at the Board’s discretion may issue new ordinary Shares.</p> <p>The Board retains discretion to make a cash payment (in lieu of Shares) equal to the market value of Shares the holder would have received on exercise of the Options less the applicable exercise price.</p>
Trading restrictions	<p>Shares allocated upon exercise of the Options will not be subject to any further trading restriction, subject to complying with the Company’s Securities Trading Policy.</p>
Cessation of employment	<p>If the MD ceases employment with the Company before the Vesting Date, the treatment of the Options will depend on the circumstances of cessation.</p> <p>Where the MD ceases employment prior to the Vesting Date due to resignation, termination for cause or gross misconduct, all of his unvested Options will lapse at cessation.</p> <p>Where the MD ceases employment for any other reason before the Options vest, unvested Options will continue “on-foot” and will be tested following the end of the original Vesting Date as though the MD had not ceased employment, vesting to the extent that the relevant Conditions have been satisfied.</p> <p>The Board also has a broader discretion to apply any another treatment that it deems appropriate in the circumstances.</p>

Other information	<p>No other director of the Company (other than the MD) is eligible to participate in the LTI or any other employee incentive scheme of the Company.</p> <p>Mr Spassopoulos commenced as the Managing Director and Chief Executive Officer on 20 September 2018. No Options have been granted under the Long Term Incentive Plan to Mr Spassopoulos since he commenced as Managing Director.</p> <p>Mr Spassopoulos holds 4,911,894 Options under prior year Long Term Incentive Plans.</p> <p>There is no loan scheme in relation to the grant of Options under the Plan.</p>
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A voting exclusion statement applicable to Item 4 is set out in the Notice of Meeting.

RECOMMENDATION

The Board (other than Mr Tony Spassopoulos who abstains from making a recommendation because of his interest in the resolution) unanimously recommends that members vote in favour of Item 4.

The Chairman intends to vote available proxies in **favour** of the Resolution.

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

BOL
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

XX



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.




Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 11:00am (AEDT)
on Monday, 19th November 2018**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Boom Logistics Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Boom Logistics Limited to be held at the offices of KPMG, Level 37, Tower Two, Collins Square, 727 Collins Street, Docklands, Melbourne, Victoria 3008 on Wednesday, 21st November 2018 at 11:00am (AEDT) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 3 and 4 (except where I/we have indicated a different voting intention below) even though Items 3 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 3 and 4 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Item 2	Re-election of Director - Mr Terence A Hebiton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	Grant of Rights and Options to the Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

BOL

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Computershare +

BOOM

LOGISTICS
LIMITED
ABN 28 095 466 961

BOLRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with your securityholding in Boom Logistics Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors' report and auditor's report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Securityholder Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely

Boom Logistics Limited



Questions from Shareholders

The Annual General Meeting (AGM) of Boom Logistics Limited will be held at the offices of KPMG, Level 37, Tower Two, Collins Square, 727 Collins Street, Docklands, Melbourne, Victoria 3008 on Wednesday, 21st November 2018 at 11.00am (AEDT). Shareholders are invited to register questions in advance of the AGM.

Your questions are important to us. Please use this form to submit any questions concerning the Company that you would like us to respond to at the AGM and return it by either email or fax:

Email: lgannon@boomlogistics.com.au

Fax: +61 3 9207 2400

We will respond to as many of the frequently asked questions as possible at the AGM in addition to any other questions which may be raised at the AGM.

If your question is directed to the Company's Auditor, you must submit this form to the Company no later than the fifth business day before the date of the AGM, being Wednesday, 14th November 2018.

Shareholder's Name

SRN/HIN

Question/s

Please tick if it is a question directed to the Auditor

1.

2.

3.

4.

5.