

Media Release

14 March 2006

Acquisition of Qld business and \$70m placement

Boom Logistics Ltd today announced an agreement to purchase the Mackay-based lifting company Camilleri Industries Australia (Camilleri) for \$27.5 million, and provided details of a \$70 million institutional share placement.

Camilleri provides lifting solutions to customers predominantly involved in coal mining and maintenance related activities in the Mackay and Bowen Basin regions of Queensland. The business has a fleet of 50 cranes and 90 forklifts and is expected to generate revenue of \$18.9 million in the 2006 financial year. Boom currently operates 54 cranes in the Bowen Basin.

Boom's Managing Director, Rod Harmon, said: "The acquisition of Camilleri represents a strong strategic fit with Boom and consolidates Boom's position as the premier lifting solutions company in the high growth Bowen Basin coal region. Importantly, it provides 'ready made' access to assets and labour to capture an increased market share."

The proposed acquisition price of \$27.5 million consists of a \$5.5 million equity issue to the vendor with the balance being paid in cash after adjustments. Settlement is expected to occur on or before 31 March 2006. The acquisition price is in line with historical acquisition EV/EBITDA multiples paid by Boom.

Capital Raising

Boom will undertake an equity raising of \$70 million consisting of an institutional placement of new shares.

Placement funds will be used to part fund the Camilleri acquisition, fund organic growth and working capital, and provide Boom with additional flexibility and financial capacity to pursue further strategic acquisitions.

The placement of new shares to institutional investors is via a book-build and is expected to be closed on Thursday, 16 March. ABN AMRO Rothschild, Deutsche Bank and Wilson HTM are lead managers to the placement.

Background

Boom Logistics is Australia's leading national based lifting solutions company. Headquartered in Melbourne Boom Logistics currently employs more than 1,100 people Australia wide and operates in all Australia states and offshore at petrochemical industry facilities in Bass Strait. It provides crane, heavy haulage and rigging services under the Boom brand and travel towers and access equipment under the Sherrin Hire brand.

Further details about the company are available at www.boomlogistics.com.au

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