



Media Release
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BOOM Logistics acquires NSW crane business

Boom Logistics has strengthened its presence in the NSW crane hire market by entering an agreement to purchase Bower's Heavy Haulage & Crane Service.

Bower's, a family-owned business, was established at Singleton in the Hunter Valley region in 1946 and is currently the leading provider of crane access and heavy haulage services in the Hunter Valley coalfields.

Boom Logistics Managing Director Rod Harmon said: "the proposed acquisition of Bower's gives Boom a major stake in the region's coal mining industry and adds to its existing business in NSW based at Port Kembla."

Last year 91 per cent of Bower's sales revenue of \$17.3 million was earned from current maintenance activity in the coalfields.

"Bower's adds to our NSW presence and national footprint. Like our other businesses it is an established family business with a reputation for great service to its customers and an excellent safety record," Mr Harmon said.

"From a customer's perspective the Bower's business will continue to run as normal and there will be no jobs lost as a result of the changed ownership," he said.

The purchase of Bower's will be funded via a \$21 million capital raising, comprising of a \$19.5 million institutional placement and a \$1.5 million Share Purchase Plan (SPP). The institutional placement will be subject to shareholder approval at the company's Annual Meeting on October 15.

Settlement of the purchase is targeted for October 20.

The institutional placement of 13 million (\$19.5 million) new ordinary shares at \$1.50 per share will be jointly underwritten by Wilson HTM Corporate Finance Limited and Bell Potter Securities Limited.

Under the SPP, existing Boom shareholders will be able to buy up to \$5,000 worth of new shares each, also at \$1.50 per share. The allocation will be capped at one million shares.

“The equity raising will provide surplus funds after acquisition costs, that will be used for our ongoing organic and acquisitive growth plans,” Mr Harmon said.

Bower’s recent projects include construction projects on the Bayswater Power Station and Redbank power stations, civil engineering contracts involving roads and rail bridges from Moree to Sydney’s Eastern Distributor Main Road tunnel and a transport dragline from Vickery Coal Mine (Gunnedah, NSW) to the Newcastle wharf for shipping to South Africa.

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