

Boom Logistics Limited

ACN 095 466 961

Notice of Annual General Meeting

NOTICE is given that the Annual General Meeting of Boom Logistics Limited (ACN 095 466 961) (**Company**) will be held at 10:30am at Crown Conference Centre, Conference Hall 3 (CCH3), Level 2, 8 Whiteman Street, Southbank, Victoria 3006 on Friday, 29 October 2010 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 that they would like raised at the AGM using the form at the back of this Notice of Meeting. We will respond to the more frequently asked questions at the AGM, but as you would appreciate, we will not be able to respond to questions individually.

Ordinary Business

Item 1 Financial Statements and Reports

To receive and consider the Financial Report and the reports of the Directors and Auditors for the financial year ended 30 June 2010.

Item 2 Election and re-election of Directors

To consider and, if thought fit, pass the following as separate ordinary resolutions:

- (a) *“That Terrance Alexander Hebiton, who retires by rotation under rule 5.1 of the Company’s Constitution, and being eligible, be re-elected as a Director of the Company.”*
- (b) *“That Fiona Rosalyn Vivienne Bennett, who retires in accordance with rule 8.2 of the Company’s Constitution and, being eligible, be elected as a Director of the Company.”*

Special Business

Item 3 Adoption of Remuneration Report

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

“That the Remuneration Report for the financial year ended 30 June 2010 be adopted.”

This is a non-binding advisory vote only.

Item 4 Previous issue of shares under placement

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

“That the issue of 51,407,760 fully paid ordinary shares in the Company on 2 December 2009 to institutional investors, as detailed in the Explanatory Notes, is approved for the purposes of ASX Listing Rule 7.4, and for all other purposes.”

Item 5 Grant Share Units to the Managing Director under the Boom Logistics Long Term Incentive Plan.

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

“That approval be given for all purposes, including ASX Listing Rule 10.14, for the grant of Share Units to the Managing Director, Brenden Mitchell, in accordance with the terms of the Boom Logistics Limited Long Term Incentive Plan and on the terms summarised in the Explanatory Notes.”

Voting Exclusions Statement

The Company will disregard:

- any votes cast on Item 4 by any person who participated in the issue of securities and any of their associates; and
- any votes cast on Item 5 by the Managing Director of the Company and any of the Managing Director’s associates.

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

- by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Item 6 Adoption of Proportional Takeover Provision

To consider and, if thought fit, pass the following resolution as a **special** resolution:

“That rule 163 of the Company’s constitution be amended by inserting the following rule as rule 163 with immediate effect:

163. Partial Takeovers

[compare section 648D]

163.1 *In this rule 163:*

- (1) “**proportional takeover scheme**” means a proportional takeover bid as defined in section 9 of the Act and regulated by section 648D of the Act;*
- (2) “**relevant day**” in relation to a takeover scheme means the day that is the 14th day before the end of the period during which the offers under the takeover scheme remain open; and*
- (3) a reference to “**a person associated with**” another person has the meaning given to that expression by Division 2 of Part 1.2 of the Act.*

163.2 *Where offers have been made under a proportional takeover scheme in respect of shares included in a class of shares in the Company:*

- (1) other than where a transfer is effected in accordance with the takeover provisions (if any) under the ASTC Settlement Rules, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under the takeover scheme is prohibited unless and until a resolution (in this rule 163.2 referred to as an “**approving resolution**”) to approve the takeover scheme is passed in accordance with this rule 163;*
- (2) a person (other than the offeror or a person associated with the offeror) who, as at the end of the day on which the first offer under the takeover scheme was made, held shares in that class is entitled to vote on an approving resolution and, for the purpose of so voting, is entitled to 1 vote for each of the shares;*
- (3) an approving resolution must be voted on at a meeting, convened and conducted by the Company, of the persons entitled to vote on the resolution; and*
- (4) an approving resolution that has been voted on, is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 1/2, and otherwise is taken to have been rejected.*

163.3 *The provisions of this constitution that apply in relation to a general meeting of the Company apply with any modifications the circumstances require, in relation to a meeting that is convened pursuant to this rule 163 as if the last mentioned meeting were a general meeting of the Company.*

163.4 *Where takeover offers have been made under a proportional takeover scheme then the directors must ensure that a resolution to approve the takeover scheme is voted on in accordance with this rule 163 before the relevant day in relation to the takeover scheme.*

163.5 *Where a resolution to approve a takeover scheme is voted on in accordance with this rule 163, the Company must, on or before the relevant day in relation to the takeover scheme:*

- (1) give to the offeror; and*
- (2) serve on each notifiable securities exchange in relation to the Company;*

a notice in writing stating that a resolution to approve the takeover scheme has been voted on and that the resolution has been passed, or has been rejected, as the case requires.

163.6 *Where, at the end of the day before the relevant day in relation to a proportional takeover scheme under which offers have been made, no resolution to approve the takeover scheme has been voted on in accordance with this rule 163, a resolution to approve the takeover scheme must, for the purposes of this rule 163, be treated as having been passed in accordance with this rule 163.*

163.7 *Where a resolution to approve a proportional takeover scheme is voted on in accordance with this rule 163 before the relevant day in relation to the takeover scheme and is rejected, then:*

- (1) despite section 652A of the Act, all offers under the takeover scheme that have not, as at the end of the relevant day, been accepted, and all offers under the takeover scheme that have been accepted and from whose acceptance binding contracts have not, at the end of the relevant day, resulted, must be treated as withdrawn at the end of the relevant day; and*
- (2) a person who has accepted an offer made under the takeover scheme is entitled to rescind the contract (if any) resulting from that acceptance.*

163.8 *Nothing in this rule 163 authorises the Company to interfere with any takeover transfer procedures contained in the ASTC Settlement Rules.*

163.9 *This rule 163 ceases to have effect on the 3rd anniversary of the date of its adoption or of its most recent renewal."*

By order of the Board.



**Iona MacPherson
Chief Financial Officer & Company Secretary**

28 September 2010

Appointment 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.
- 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 2001 (Cth)*; 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 2001(Cth) 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 appointor'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 10:30am on Wednesday, 27 October 2010.
- The documents will be received by the Company when it is received at any of the following:
 - in person at Computershare Investor Services Pty Limited, 452 Johnston Street, Abbotsford, Victoria 3067; or
 - by mail at the Company's share registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria, 3001; or
 - by fax to the Company's share registry – fax number 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).
 - 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 Directors have determined that the shareholding of each member for the purposes of ascertaining their voting entitlements at the Annual General Meeting will be as it appears in the share register at 7pm on Wednesday, 27 October 2010. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

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 2001* (Cth) or in another manner satisfactory to the Chairman) 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.

Necessary information

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

Obtaining a copy of the Annual Report 2010

The Annual Report 2010 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 2010 free of charge you can contact Margaret Trousdale on + 61 3 9207 2530 or email mtrousdale@boomlogistics.com.au

Information specific to each resolution

Shareholder approval of resolutions is required for the purposes of the ASX Listing Rules and the *Corporations Act 2001* (Cth). 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 Annual General Meeting of the Company.

Ordinary business

Item 1 Financial Statements and Reports

The *Corporations Act 2001* (Cth) requires:

1. the reports of the Directors and Auditors; and
2. the Annual Report, including the financial statements of the Company for the fiscal year ended 30 June 2010,

to be laid before the Annual General Meeting. Neither the *Corporations Act* nor the constitution require a vote of members on the reports or statements. However, shareholders will be given a reasonable opportunity to ask questions about or make comments on the management of the Company.

Also, a reasonable opportunity will 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.

Item 2 Election and re-election of Directors

In accordance with the Company's constitution, no Director who is not the Managing Director may retain office without re-election beyond the third annual general meeting following the meeting at which the director was last elected or re-elected.

Mr Hebiton is required to retire at this Annual General Meeting, and being eligible, offers himself for re-election.

Further information in relation to Mr Hebiton is as follows:

Terrance Alexander Hebiton

Age: 59

Member of the Occupational Health, Safety Environment and Quality 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 is currently a Director of a number of private companies and a Director of Integrated Livestock Industries Ltd. He was a principal of Alpha Crane Hire,

one of the founding entities of Boom Logistics Limited, and was one of the driving forces behind the formation of Boom. Mr Hebiton was the CEO of Boom at its formation, a position he held until 2004. He has been a Director of the Company since 22 December 2000.

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

In accordance with the Company's constitution, any Director appointed by the Board to fill a vacancy, who is not the Managing Director, may only hold office until the annual general meeting following their appointment.

Ms Bennett, appointed by the Board on 29 March 2010, is required to retire at this Annual General Meeting, and being eligible, offers herself for election.

Further information in relation to Ms Bennett is as follows:

Fiona Rosalyn Vivienne Bennett

Age: 54

Chair of the Audit & Risk Committee.

Ms Bennett was appointed as a Non Executive Director of the Board on 29 March 2010. Ms. Bennett is a Chartered Accountant with a strong finance and risk management background. She formerly held Senior Executive roles at BHP Billiton Limited and Coles Group Limited and was Chief Financial Officer at several organisations in the health sector. Ms Bennett is a Director of the Institute of Chartered Accountants in Australia and serves on a number of State Government and not-for-profit entity boards. Ms Bennett is also a Director of Hills Industries Limited.

The Board (other than Ms Bennett) unanimously recommends that members vote in favour of the resolution to elect Ms Bennett.

Special Business

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 five highest remunerated Company and Group Executives, each Director and for each of the other key management personnel of the Company, in addition to describing Board policy in respect of remuneration, its relationship to the Company's performance, along with 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 Board unanimously recommends that members vote in favour of adopting the Remuneration Report.

Item 4 Previous issue of shares under placement

On 2 December 2009, the Company undertook a fully underwritten placement of 51,407,760 shares at 30 cents per share to a number of institutional investors. The gross amount raised from this placement was \$15,422,328. Net proceeds (after expenses) of the equity raising were used to reduce debt, which has strengthened and deleveraged the Company's balance sheet position.

In accordance with ASX Listing Rule 7.5, the following information is provided in respect of the resolution under Item 4:

- (a) The number of shares issued and allotted is 51,407,760.
- (b) The shares were issued at 30 cents per ordinary fully paid share.
- (c) The shares rank pari passu with all other fully paid ordinary shares on issue as regards voting, dividend rights and otherwise.
- (d) The allottees of these shares are Institutional Investors. None of the allottees were related parties of the Company.
- (e) The net proceeds raised from this issue (approximately \$14.4 million after expenses) were applied to debt to provide Boom with a strengthened and deleveraged balance sheet position.

The Board unanimously recommends that shareholders vote in favour of this resolution.

Item 5 Grant of Share Units to Managing Director under the Boom Logistics Long Term Incentive Plan

The granting of Share Units forms an important part of the Company's executive remuneration policy, details of which are set out in the Company's Remuneration Report. Brenden Mitchell is the only Director who is entitled to participate in the Boom Logistics Long Term Incentive Plan (**the Plan**).

Item 5 seeks shareholder approval for the grant of Share Units to Mr Brenden Mitchell, Managing Director of the Company, pursuant to the Plan, and otherwise on the terms and conditions set out in this notice.

The proposed grant of Share Units is in respect of the 2010 financial year and, subject to shareholder approval, will be granted shortly after the Annual General Meeting.

The value of the Share Units to be granted to Mr Mitchell for the 2010 financial year will be equivalent to 45% of Mr Mitchell's 2010 fixed annual remuneration, being a sum of \$303,752. The number of Share Units to be granted to Mr Mitchell will be calculated by dividing the sum of \$303,752 by the allocation price for each Share Unit (**Allocation Price**), as determined by the Board. The Allocation Price will be the Volume Weighted Average Price (**VWAP**) of the shares in the Company as quoted on ASX for the 5 trading days prior to the date of grant of the Share Units.

ASX Listing Rule 10.14 requires that the maximum number of Share Units that may be acquired by Mr Mitchell pursuant to the approval in Item 5 be specified in this Notice of Meeting. It is proposed that Mr Mitchell be awarded a total of up to 750,000 in accordance with the Plan.

Each Share Unit will entitle Mr Mitchell to receive one share in the Company, subject to the relevant performance condition being satisfied and the Share Unit vesting.

The Share Units will only vest if the relevant performance condition is satisfied. The performance condition for the 2010 grant of Share Units will be tested over a three year performance period, measured from the commencement of the 2011 financial year (i.e. 1 July 2010) and ending on 30 June 2013.

The performance condition for Mr Mitchell's grant is based on the growth in the Company's Return on Capital Employed (**ROCE**) over the performance period. If the Company's ROCE is greater than the after tax Weighted Average Cost of Capital (**WACC**) by 1% or more at the end of the performance period, all Share Units will vest. This both reflects the capital intensive nature of Boom's business and is designed to give shareholders an appropriate return on capital employed over the three year period. A return above WACC at the end of the 3 year period will ensure that shareholders benefit from significant share price improvement and dividends. ROCE will be determined with reference to Gross Capital Employed. WACC will be determined using the 10 year bond rate as the risk free rate and using data sourced from Bloomfield to determine the average Beta in Boom's industry sector.

Other information

- (a) The Managing Director is entitled to shares equivalent in value to 45% of his fixed annual remuneration if the performance condition is met. Consequently, these shares are purchased by the Employee Share Trust (**EST**) at the commencement of the performance period each year and sit in trust in the name of the Managing Director until his entitlement to the shares can be determined. Therefore, in effect, these shares are purchased by the EST on behalf of the Managing Director by an interest free non-recourse loan.

The shares are purchased and placed into trust at the start of the performance period. At the end of the performance period, if the performance condition is met the shares vest at no cost to the Managing Director. If the performance hurdle is not met, the shares do not vest and the Managing Director receives no shares.

- (b) At an Annual General Meeting of the Company held on 27 November 2009, the members approved the issue of up to 714,375 Share Units to Mr Mitchell under the Company's EST. The Company issued 705,556 Share Units at an issue price of \$0.405 per Share Unit to Mr Mitchell under the Company's EST.
- (c) If members approve the resolution in Item 6, the Company will instruct the Trustee of the EST to allocate ordinary shares for the benefit of Mr Mitchell as described above.
- (d) Vesting of the Share Units will be determined at the end of the performance period in 2013, following the announcement of the Company's results for the prior financial year and testing of the performance condition.
- (e) It is expected that the Trustee will allocate the shares for the benefit of Mr Mitchell within 30 days of obtaining member approval of the resolution in Item 6. In any event, any ordinary shares allocated with the benefit of this approval will be issued before the first anniversary of the Annual General Meeting.
- (f) As at the date of this Notice, Mr Mitchell is the only person referred to in ASX Listing Rule 10.14 entitled to participate in the EST.

Key terms of the Plan

- (a) The Board will administer the Plan in accordance with the terms of the Governing Deed (**Terms**) (and any other terms prescribed by the Board for the operation of the Plan which are consistent with the Terms). The Board may from time to time suspend operation of, or cancel, the Plan. The suspension or cancellation of the Plan will not prejudice the existing rights of Participating Employees.
- (b) Subject to the ASX Listing Rules and to specified restrictions in the Terms, the Company may at any time by written instrument or by resolution of the Board, amend all or any of the provisions of the Terms, and make amendments to the Terms, or structure of an offer, as they apply in respect of foreign jurisdictions where such amendments would be appropriate for tax purposes, as determined by the Board.
- (c) The Company has established the Boom Logistics Limited Employee Share Trust (**EST**). The Trustee is Boom Logistics Employee Share Plan Pty Ltd. The beneficial interest in the EST is divided into Share Units.
- (d) The Company makes contributions of shares or advances money in lieu of shares to the EST. Application moneys received and accepted by the Trustee must be used to exclusively acquire shares in the Company and allocate those to Share Units in the EST.
- (e) The Company has discretion to determine which employees are invited to apply to the Trustee for Share Units (**Eligible Employee**). Employees who may be invited to participate in the EST are those who are in permanent employment with the Company or an Associated Company and includes any Director holding salaried employment. The Company has absolute discretion to determine the number of Share Units to be issued to an Eligible Employee.
- (f) In the case of an offer of Share Units with respect to unissued shares in the Company, the number of shares when aggregated with the number of shares in the same class issued during the previous 5 years pursuant to the EST or any other employee share plan of the Company must not exceed 5% of the total number of issued shares in that class of the Company as at the time of the offer.
- (g) All shares will rank pari passu in all respects with the other ordinary shares of the Company from the date of issue.
- (h) Vesting also requires that Participating Employees remain in full time employment with the Company over the performance period.
- (i) At the time Participating Employees wish to redeem or encash their holding, Bonus Share Units are issued by the Trustee to enable full share value to be received including any growth over the holding period. The Company's contribution is limited to the annual issue of ordinary shares in the Company.
- (j) The Share Units provide to Unitholders substantially the same rights in respect of the shares which are allocated to the Share Units as if the Unitholders were the legal owners of the shares, including the rights to:
 - direct the Trustee how the voting rights attached to the shares shall be exercised; and
 - receive the income derived from the shares including dividends declared in respect of the shares

- (k) Any entitlement to Share Units which have not vested will be forfeited if Participating Employees resign from employment with the Company or cease employment for any other reason.
- (l) In general, the Share Units are not transferable.
- (m) In the event of a takeover, scheme of arrangement or other change of control as determined by the Board in respect of the Company, Share Units may, at the discretion of the Board, vest on a pro rata basis in accordance with an assessment of performance.
- (n) The Share Units will only vest if the relevant performance condition is satisfied.

The Board (other than Mr Mitchell) unanimously recommend that members vote in favour of this resolution.

Item 6 Adoption of Proportional Takeover Provision

The constitution of Boom Logistics Limited (**the constitution**) includes a proportional takeover approval provision (rule 163) which came into effect in 2006.

Under the *Corporations Act 2001* (**the Act**), proportional takeover approval provisions expire after 3 years from adoption or renewal. As it has not been subsequently renewed by shareholders, it has expired.

The Board is seeking shareholder approval to re-insert the proportional takeover approval provisions in the constitution.

The proposed proportional takeover provisions are identical to those adopted in 2006.

A proportional takeover offer is a takeover offer where the offer made to each shareholder is only for a proportion of that shareholder's shares.

The Act requires that the following information is disclosed in this notice:

Effect

If a takeover offer is made under a proportional takeover bid, the Directors must ensure that a resolution of shareholders to approve the takeover bid is voted on more than 14 days before the last day of the bid period (or such later date as is approved by the Australian Securities and Investments Commission).

Each shareholder has one vote for each fully paid share held. Each partly paid share carries a fraction of a vote, reflecting the amount paid up. The vote is decided on a simple majority. The bidder and its associates are not allowed to vote. If the resolution is not passed, transfers giving effect to takeover contracts for the bid will not be registered and the offer will be taken to have been withdrawn.

If the bid is approved (or taken to have been approved), the transfers must be registered if they comply with other provisions of the Act and the constitution.

The Directors breach the Act if they fail to ensure the approving resolution is voted on. However, if the resolution is not voted on, the bid will be taken to have been approved.

The proportional takeover approval provisions set out above do not apply to full takeover offers and will only apply until 3 years after the date of renewal. The provisions may be renewed again, but only by a special resolution of shareholders.

Reasons

A proportional takeover bid involves an offer for only a proportion of each shareholder's securities. This may allow control of the Company to pass without shareholders having the chance to sell all their securities to the bidder. This may assist a bidder to take control of the Company without payment of an adequate control premium. The approval provisions will allow shareholders to decide collectively if a proportional offer is acceptable in principle and will assist in ensuring that any partial offer is appropriately priced. At the date this notice was prepared, no Director is aware of a proposal by a person to acquire (or to increase) a substantial interest in the Company.

Potential advantages and disadvantages

Whilst similar proportional takeover approval provisions have been in effect in the past, there have been no full or proportional takeover bids for the Company. Therefore, there has been no example against which to review the advantages or disadvantages of the provisions for the Directors and the shareholders, respectively, during this period.

The Directors consider that the takeover approval provisions have no potential advantages or disadvantages for them. They remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover approval provisions for shareholders of the Company are:

- shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
 - the provisions may help shareholders to avoid being locked in as a minority;
 - the bargaining power of shareholders is increased (this may help ensure that any partial offer is adequately priced); and
 - knowing the view of the majority of shareholders may help each individual shareholder assess the likely outcome of the proportional takeover offer and to decide whether to accept or reject that offer.
- The potential disadvantages for shareholders of the Company include:
- proportional takeover offers for securities in the Company may be discouraged;
 - shareholders may lose an opportunity of selling some of their securities at a premium; and
 - the chance of a proportional takeover being successful may be reduced.

The Board considers that the potential advantages for shareholders of the proportional takeover approval provisions outweigh the potential disadvantages. In particular, shareholders as a whole are able to decide whether or not a proportional takeover bid is successful.

The Board unanimously recommends that shareholders vote in favour of this resolution.

Questions from Members

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 Annual General Meeting and return it by either email or fax:

Email: mtrousdale@boomlogistics.com.au

Fax: +61 3 9207 2400.

We will respond to as many of the more 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 Friday 22 October 2010.

Securityholder's name:.....

Address:.....

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Securityholder Reference Number (SRN) or Holder Identification Number (HIN):.....

Question(s) (**Please indicate if the question is directed to the Company or the Company's auditor**):

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