

2006 ANNUAL GENERAL MEETING OF BOOM LOGISTICS LIMITED

Address by Chairman and Managing Director

Chairman's Address

At this time last year I commented on the various growth initiatives that had been put in place and noted that there remained significant opportunity to drive further expansion in our business. I am pleased to report to you that considerable progress has been made in implementing our business development strategy and new avenues for future growth have been opened up. I would like to take this opportunity to summarise our achievements over the past year and briefly look ahead to initiatives to generate further shareholder value.

The most significant step during the year was completing the acquisition of Sherrin Hire, in August 2005. The inclusion of this business not only made a substantial contribution to financial performance, it also effectively doubled the size of our workforce and the number of service centres across the country. Most importantly it has provided a new platform for future growth, with opportunities to integrate new lifting and access services into a broader offering to our customers. We continue to develop these opportunities and the benefits are expected to accumulate for some time to come.

During the third quarter we raised \$70 million by way of an institutional placement to provide funds for new growth initiatives and in April 2006 we announced the first of these with the acquisition of Camilleri Industries, based in Mackay Queensland. This has extended our service offering in the Queensland coal industry and builds upon an earlier acquisition, which established our presence in the Bowen Basin.

Our first initiative for the new financial year was announced in August with the acquisition of the James Group. This increases the size of our "Dry Hire" business by some 70 cranes, but importantly it also comprises a new and used crane sale business, through the sole Australia wide Tadano crane agency. Consequently, this acquisition has strategic importance beyond its immediate contribution to the Company's financial performance, as like the Sherrin Hire business it offers new avenues to future growth.

Although, as in the previous year, business acquisitions have been the primary source of company growth we have also generated organic growth of around 13% in the past

year as benefits were generated from business integration and general business development .

The changes I have outlined to the business earlier this year, together with those implemented in the previous year, have translated into substantial profit growth and shareholder return.

Net Profit after Tax has more than doubled to \$33.1 million and earnings per share grew by 46% to 21.8 cents, despite a significant increase in equity through capital raisings to underpin new growth initiatives. This strong financial performance has resulted in a fully franked dividend payment for the full year of 10.4 cents per share, representing a 50% payout of after tax profit and an increase of 51% over the previous year.

It is interesting to reflect that at this time last year I referred to a 75% increase in the Company's market capitalisation to some \$400 million. During the last twelve months the capital base of the Company has again increased by the order of 75% and in March of this year Boom Logistics entered the ASX 200 Index.

Looking ahead there is considerable opportunity to generate further organic growth through business integration synergy and ongoing business development There also remains substantial scope to expand the Company through further acquisitions, not only in our core business area, but also through new business opportunities presented by Sherrin Hire and the more recent addition of the James Group. We have also continued to successfully diversify our sources of income and although not immune from any general economic downturn, we are not overly reliant on any one business sector.

In concluding I would like to reiterate my comment from last year that much of the Company's success has been built on management's ability to quickly integrate acquired businesses into Boom, while preserving our operating culture, service quality and safety focus. Rod Harmon and his management team continue to do an outstanding job in this regard and close attention to detail has underpinned the Company's strong performance. We have built a solid platform from which to continue to grow the Company and consequent shareholder returns.

Thank you for your attention. I will now hand over to Rod Harmon, the Company's CEO who will take you through the current management initiatives.

Managing Director's Address

Good Morning Ladies and Gentlemen, and welcome to Boom Logistics 2006 Annual General Meeting. My Name is Rod Harmon and I am the Managing Director of Boom Logistics Limited.

Over the last 12 months we have continued to pursue our growth strategy, with our national network now well established. This has been further reinforced with the acquisitions of Sherrin Hire, Camilleri Industries and the James Group.

Our vision to be the leading national provider of lifting solutions to the Australian market is certainly being realised.

Over recent years we have been able to achieve, not only top line growth but this has also been translated in a substantial increase in earnings per share.

Consistent with our stated strategy, we have continued to position the company in terms of market and geographical segmentation to take advantage of the positive outlook in the resources industrial and engineering construction markets.

As you are aware we have now successfully acquired Sherrin Hire, Camilleri Industries Australia and the James Group. I would like to spend a short moment outlining these significant acquisitions.

The integration of Sherrin Hire has gone to plan and has exceeded expectations with a strong financial performance. The amalgamation of Boom and Sherrin Toowoomba and Kalgoorlie depots, cross selling and key management changes have been achieved.

The integration of Camilleri Industries Australia has also gone according to plan, with a solid financial performance and a seamless integration with existing Central Queensland operations achieved. This acquisition has consolidated our position in the burgeoning Bowen Basin region and also provided us with a number of opportunities.

The James Group has a long standing and excellent reputation. They provide dry hire services and new and used Tadano crane sales. Strategically the James Group extends Boom's Service offer and creates further leverage opportunities.

Boom is now able to provide a tailored integrated lifting solution to clients, a one stop shop.

The outlook is positive, with a focus on extracting value from our acquisitions. We will continue to look for opportunistic acquisitions over the remainder of this financial year.