



Media Release
15 October 2004

\$19.5 million capital raising approved

Boom Logistics' shareholders have approved a \$19.5 million capital raising that will allow the company to conclude the purchase of Bowers' Heavy Haulage & Cranes Service.

The capital raising, comprising a \$19.5 million institutional placement and the issue of 2,439,025 vendor shares to the Singleton Transport & Industrial Services Company Pty Ltd, was approved at Boom's annual general meeting in Melbourne today.

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. It had annualised sales of \$17.3 million and annualised EBITDA of \$4.5 million in the 2004 financial year.

This acquisition, announced last month, strengthens Boom's presence in the NSW crane hire market by giving it a stake in the region's coal mining industry and adds to its existing business at Port Kembla.

The acquisition price is approximately \$16.3 million, consisting of an equity issue to the vendor of \$4 million and a net cash payment of \$10.1 million after adjustments.

Boom Logistics' managing director Rod Harmon said: "The equity raising will provide surplus funds, after acquisition costs, that will be used for our ongoing organic and acquisitive growth plans".

"Like our other businesses Bowers' is an established family business with a reputation for great service to its customers and an excellent safety record," 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.

Media Contact: Pauline Zahra on 0411 313 209