

PORT BOUVARD LIMITED

ASX Announcement
10 November 2010

Port Bouvard Limited announces variation to Bank Facility

Western Australian based property development company, Port Bouvard Limited ("**Company**") (**ASX: PBD**), advises it has varied terms of its Oceanique Construction Facility (**Facility**) with lender, St George Bank.

Effective today, covenants to the Facility are varied to the following:

- Reduction of limit by **\$40 million** (i.e. from \$101 million to \$61 million) at 31 December 2010;
- Reduction of limit by **\$35 million** (i.e. from \$61 million to \$26 million) at 30 June 2011; and
- Reduction of limit by **\$26 million** (i.e. closure of facility) at 31 October 2011.

The December covenant was relaxed from the previous reduction requirement of \$75 million. The Company has already satisfied the revised covenant and expects to meet the remaining covenants by settlements of pre-sold apartments and new sales from the marketing campaign which commenced on 31 October 2010.

Since the commencement of Oceanique settlements, the Company has settled apartments equalling \$50.2 million in gross sales. All net proceeds have been applied to reduce debt.

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