

PORT BOUVARD LIMITED

15 July 2010

The Companies Announcement Office
Australian Stock Exchange Limited
Level 10 Exchange Centre
20 Bond Street
SYDNEY NSW 2000

Dear Sir / Madam

LAPSING OF EMPLOYEE SHARE OPTIONS

Port Bouvard Limited advises that Employee Share Options have today lapsed in accordance with rule 8.1(1) of the Company's Employee Share Option Plan¹, due to the resignation of an employee which was effective 15 January 2010.

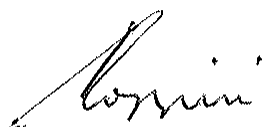
A schedule of lapsed Options is shown below:

ASX Code	Number of Lapsed Options	Date Issued	Initial Exercise Price (\$)	Adjusted Exercise Price (\$) ²	Balance of Outstanding Options
PBDAI	500,000	22/08/07	2.12	2.05	650,000
PBDAM	833,333	09/12/08	0.26	0.19	1,250,000

¹ Pursuant to rule 8.1(1) vested Options lapse 6 months following the date of cessation of employment.

² Exercisable at a post entitlement offer (announced 25 June 2010) adjusted price in accordance with the terms of the Options and the ASX Listing Rules.

Yours faithfully



Peter Coppini
Company Secretary