

*P*ORT BOUVARD LIMITED

ASX Announcement

12 July 2010

Successful Completion of Gidgegannup Cancellation Agreement

Western Australian based property development company, Port Bouvard Limited (**Company**) (ASX Code: **PBD**), advises that completion took place on the Gidgegannup Cancellation Agreement today. As a result, the Gidgegannup Cancellation Agreement has taken effect and the Company and its two relevant subsidiaries have no further obligations in respect of land at Gidgegannup, save for payment of the balance instalments of the cancellation fee.

This represents the achievement of a critical milestone in the Company's capital management strategy as it removes otherwise significant obligations under the now cancelled Put and Call Option No 1, Put and Call Option No 2 and Put and Call Option No 3.

For further information please contact the Company.

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Mr Stephen Court
Executive Director
Port Bouvard Limited
Tel: 08 6436 2200

Mr John Wroth
Chief Executive Officer
Port Bouvard Limited
Tel: 08 6436 2200