

6 May 2010

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

Dear Sir / Madam

Company Update

Please find attached the following information from the Company:

- Announcement: Company Update – Non-Core Asset Disposal Strategy

Yours faithfully



Peter Coppini
Company Secretary

ASX Announcement
6 May 2010

Company Update – Non-core Asset Disposal Strategy

Western Australian property developer ASX-listed Port Bouvard Limited (ASX: PBD) (“the Company”) is pleased to announce it has sold its Melros site, in accordance with its non-core asset disposal strategy.

Since its purchase, the Company has successfully obtained subdivision approval for 43 residential strata lots for Melros, on what was previously a low-key caravan and camping site.

Details of the sale are provided below.

Location	Lot 3 Henry Road, Dawesville
Contract value	\$4,000,000 (including GST)
Contract status	Unconditional
Deposit	\$400,000 (non-refundable)
Settlement date	On or before 30 November 2010

To date agreed sales from the non-core asset disposal strategy will generate \$13.7 million to the Company, made up as follows:

- Port Bouvard Marina (settled on 29 February 2009 for \$4.75 million);
- Dawesville site (due to settle on or before 30 June 2010 for \$4.95 million); and
- Melros site (due to settle on or before 30 November 2010 for \$4 million).

Remaining non-core asset sites at Port Bouvard: the Southport Hotel site; the Golf Course Villa site; and the constructed Piazza restaurant, continue to be listed for sale.

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