

28 June 2010

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

Dear Sir / Madam

Successful Settlement of FKP Investment, Institutional Placement and Institutional Entitlement Offer

Please find attached an announcement from the Company.

Yours faithfully



Peter Coppini
Company Secretary

ASX Announcement

28 June 2010

Port Bouvard Limited Announces Successful Settlement of FKP Investment, Institutional Placement and Institutional Entitlement Offer

Western Australian based property development company, Port Bouvard Ltd (**PBD** or **Company**), is very pleased to advise that the following components of its \$60.2 million capital raising (**Capital Raising**) successfully settled today at the offer price of \$0.13 per new share:

- \$22.75 million placement to FKP Property Group, a diversified Australian property and investment group (**FKP Investment**);
- \$20.45 million placement to institutional and sophisticated investors (**Institutional Placement**); and
- \$5.98 million from the institutional component of the 1 for 1 Non-Renounceable Entitlement Offer (**Entitlement Offer**).

\$20 million of the settlement proceeds have been immediately applied to permanently reduce the Company's borrowings with St George, thereby satisfying PBD's key short term covenant in respect of its banking facilities.

The remaining balance of the total Capital Raising (being approximately \$11.0 million) is being raised under the retail component of the Entitlement Offer at \$0.13 per new share, and is underwritten by Macquarie Capital Advisers Limited and Euroz Securities Limited. The prospectus for the Entitlement Offer was despatched to eligible shareholders on 25 June, 2010 and the offer is open until Friday 9 July 2010.

The Company is also pleased to note that, following settlement of the FKP Investment, Institutional Placement and the institutional component of the Entitlement Offer, its shares recommenced trading on ASX today.

For further information please contact the Company.

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