

22 July 2009

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

Dear Sir / Madam

FINANCIAL RESULTS – YEAR ENDING 30 JUNE 2009

Port Bouvard Limited today announces that its unaudited financial result for the 2009 financial year indicates an after tax net loss of \$29.06m. In excess of \$30m toward this result relates to non-cash asset impairment following temporary deterioration in domestic and global property markets.

Whilst the write downs in asset carrying values are non-cash accounting adjustments, the Board and new management believe it prudent to reflect conservative asset values on the Company's balance sheet in these challenging economic times.

Asset values now reflect current independent professional valuations or net present values with indicative project internal rates of return in excess of 25% using independently researched assumptions.

This is a proactive approach by the Board and new management to acknowledge current market conditions, and continue to demonstrate and recognise the long term development value for Port Bouvard Limited's shareholders.

After the accounting adjustments net tangible assets per share of the Company moves from \$1.13 (December 2008) to \$0.84 (June 2009).

The Company continues to satisfy all its banking requirements.

Port Bouvard Limited will release audited financial results once the full year audit process is finalised and in accordance with regulatory obligations.

Yours faithfully



Peter Coppini
Company Secretary