



Port Bouvard Limited

Corporate Presentation / Shareholder Update
September 2009



Executive Summary – Financial Position

- FY2009 Operating result: \$28.9m loss. Mainly the result of a \$40.9m downward adjustment in non-current assets and non-current assets held for sale due to prudent and conservative management views and the deterioration of the market and asset values industry wide.
- Equity and/or debt strategies being considered inline with the Company's capital management requirements.
- Obtained AFSL enabling the Company to pursue project syndication opportunities once markets conditions return to more normalised levels.
- St George have unofficially indicated they will remain supportive of the Company with the view of extending all facilities for 12 months subject to final credit approval in October 2009.
- Proactive sale of non-core assets and successful selling of Eastport 5 to strengthen financial position.



Executive Summary – Projects

- Point Grey Rezoned to Urban in April 2009.
- Gidgegannup Townsite Masterplan lodged April 2009.
- Esperance Bandy Creek Structure Plan approved August 2009.
- Non-core asset sales - Port Bouvard Marina for (\$4.75m) and Dawesville (\$4.5m).
- Eastport 5 (final stage of Port Bouvard) - all lots in the process of being signed up as sold. Construction and issuance of titles for the Eastport 5 canal precinct was completed in May 2009.
- Oceanique Luxury apartments 2/3 sold and construction 71% complete.
- Sustained period of Company growth expected to commence with the development of over 5,000 home sites from 2010 for approximately 12 to 15 years.



Company Strategy



Company Strategy

Learning from Success

Acquisition of Key Assets

FY2006/7

- **Point Grey**
- **Gidgegannup**
- **Esperance**
- **Melros**
- **Dawesville**
- **Final stages of Port Bouvard**

Asset value maximisation

FY2007/8/9

- ✓ **Point Grey** Urban zoned April 2009
- ✓ Lodgement of **Gidgegannup** Masterplan and April 2009
- ✓ **Eastport 5** Subdivision approval obtained for 47 lots
- ✓ **Eastport Island** 34 survey strata subdivision approved
- ✓ **Melros** Subdivision approval for 43 lot residential survey strata subdivision
- ✓ **Southport Hotel** site development Approval for 138 key **Hotel Site**
- ✓ **Southport Villa** site (lot 370) approval for 44 apartments

Asset realisation

FY2009/10

- ✓ Port Bouvard Marina sold, \$4.75m
- ✓ Eastport 5 and Eastport Island completed with an overwhelming market response (\$16m still expected)
- ✓ Dawesville sold for \$4.5m
- ✓ Listing for sale – remaining non-core assets Melros, Hotel and Villa site (\$20m)



Company Strategy

Moving with the market

- Restructure current debt and equity position with the aim of:
 - Strengthening the Balance sheet
 - Reduce gearing levels
 - Improve LVR's
 - Provide further headroom on current covenants
 - Provide sufficient liquidity to meet all anticipated funding requirements for the Group moving forward
 - Position the business to benefit from the inevitable and imminent recovery of the property sector.
 - Enable the development of key assets to unlock significant value for shareholders.



Financial Update

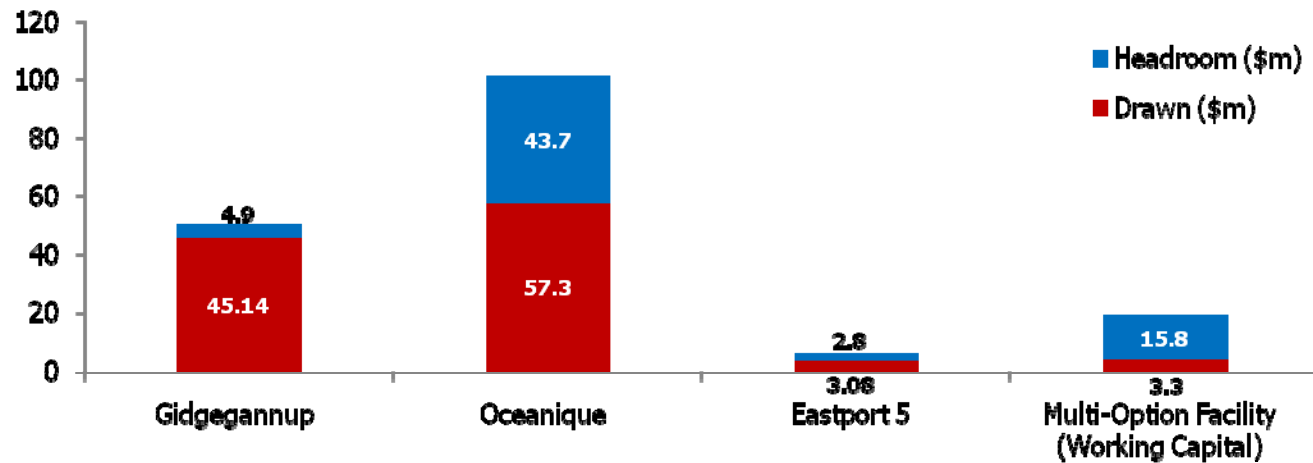


Financial Update

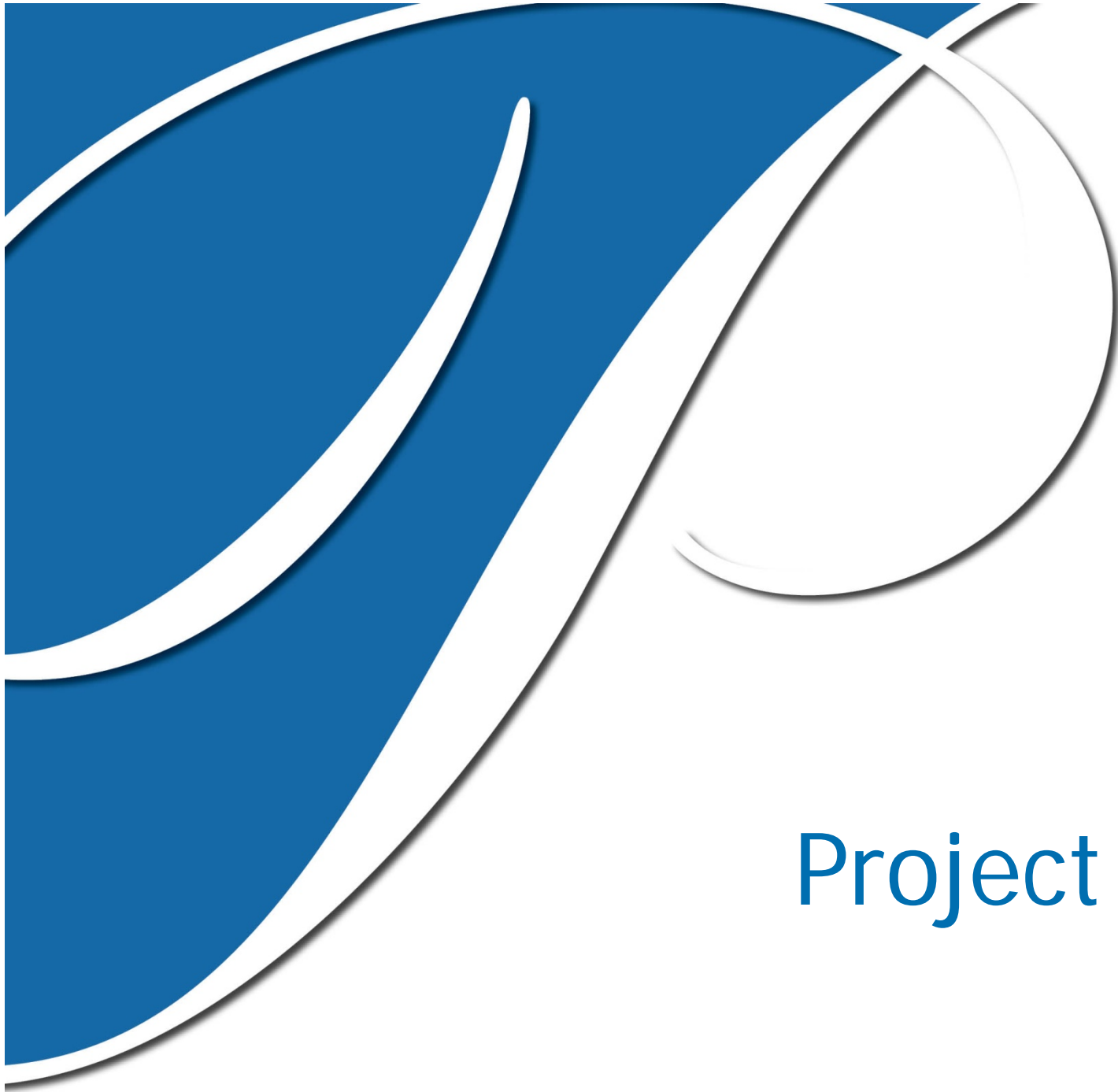
Below is a summary of and an update to our recently published Annual Report:

Total Assets as at 30 June 2009	\$237.3m
Net Assets as at 30 June 2009	\$118.7m
Net Tangible Assets per share at 30 June 2009 (audited)	\$0.84
Share Price as at 29 Sept 2009	\$0.40
External Debt Facilities as at 1 Sept 2009	\$108.8m
Net Loss	\$28.9m
Impairment Write Down	\$40.9m

Debt Summary



<u>Facility</u>	<u>Rollover/ Expiry Date</u>	<u>Comments</u>
Gidgegannup	31 st Oct 2009	Secured over Point Grey and Gidgegannup properties. Interest is capitalised and fixed.
Oceanique	30 th Sept 2010	The Oceanique facility is a stand alone facility that represents the estimated total construction cost (including financing). The term of the facility is beyond anticipated project completion. Interest is partly fixed/partly capped and capitalises.
Eastport 5	16 th Nov 2009	The Eastport 5 facility is a stand alone facility which represents the estimated total construction cost (including financing). The term of the facility is beyond anticipated project completion. Interest is variable and capitalises.
Multi-Option Facility (Working Capital)	31 st Oct 2009	The Multi-Option facility is effectively the working capital of Port Bouvard Limited. It is secured against all remaining landholdings of the business. The proceeds of sales made outside of the projects above are flow back into the Multi-Option facility. Interest is variable and capitalises.



Project Update

Asset List



Core Assets	
Point Grey	2,700 lots made up of low, medium/high density dwellings surrounding a residential/tourist based marina
Gidgegannup	1,650 lots comprising townsite and rural residential lots
Esperance	203 exclusive canal lots within a strong rural and mining community
Under Construction	
Eastport 5 Island	34 canal lots. Marketing campaign kicked off Sept 2009 with an overwhelming response and contracts for all lots currently being signed up
Oceanique	67 luxury apartments with 43 pre-sold and due to settle June 2010, construction 71% complete
Non-Core Assets	
Dawesville	Sold for \$4.5 million and due to settle June 2010
Melros	43 lots survey strata, continuing negotiations for sale an englobo sale
Furnissdale	600+ lots under development agreement with landowner
Hotel Site (Lot 372)	138 keys with Development Approval, continuing negotiations for sale
Villa Site (Lot 370)	44 apartment approval, continuing negotiations for sale
Eastport 5	47 canal lots in total with significant number settled and remainder currently being marketed with strong market interest



Point Grey

- Rezoned Urban in April 2009.
- Forrest Highway opened 20th Sept 2009, now less than 1 hour travel to Perth.
- Outline Development Plan proposing approximately 2,700 lots and a 400 pen marina.
- Pre-sales targeted for late 2010.
- Continuing engineering design work to reduce upfront servicing and infrastructure costs.





Gidgegannup

- Townsite Masterplan submitted April 2009.
- 1,650 lots of varying sizes.
- 18 months of extension community consultation.
- Promotion and enhancement of existing businesses and employment opportunities.
- Sustainable design initiatives.





Oceanique Luxury Apartments

- 43 of 67 apartments sold to net \$112.3m (incl GST).
- Construction 71% complete.
- Completion date expected June 2010.
- Construction on time and within budget with contract incentives in place to maintain.
- Builder – DORIC.



Oceanique, September 2009



Presentation Summary

- Active capital management remains key for the Group.
- Key objective to reduce debt and maintain flexibility in a challenging market.
- Asset realisation strategy designed to focus on maximising asset value.
- Acquired AFSL providing the ability to syndicate projects in improved market conditions.
- Development of assets progressing in-line with Company expectations and timeframes.
- Point Grey rezoning marks a critical milestone for the Company and illustrates ability beyond past successes.
- Ultimate objective of returning surplus profit to shareholders after satisfying all ongoing operational commitments and external debt obligations.
- Executive Management planning regular institutional road shows and ongoing capital markets communication initiatives to demonstrate the value opportunity.



Disclaimer

This presentation has been prepared by Port Bouvard Limited ("Port Bouvard") and should not be considered in any way to be an offer, invitation, solicitation or recommendation with respect to the subscription for, purchase or sale of any security, and neither this document nor anything in it shall form the basis of any contract or commitment. Prospective investors should make their own independent evaluation of an investment in Port Bouvard. Nothing in this presentation constitutes investment, legal, tax or other advice. The information in this presentation does not take into account your investment objectives, financial situation or particular needs. The information does not purport to constitute all of the information that a potential investor may require in making an investment decision.

Port Bouvard has prepared this presentation based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Port Bouvard, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it.

All references to dollar amounts are in Australian currency unless otherwise stated.