



24 November 2008

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

Dear Sirs

PRESENTATIONS MADE AT ANNUAL GENERAL MEETING

We are pleased to attach a copy of the presentations made at the Annual General Meeting held today, for your information.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Niels J Kroyer', with a large, sweeping flourish at the end.

NIELS J KROYER
Company Secretary

**PORT BOUVARD LIMITED ANNUAL GENERAL MEETING
CHAIRMAN'S ADDRESS TO SHAREHOLDERS
MONDAY, 24TH NOVEMBER 2008**

Ladies and Gentlemen,

As we're all aware, the world has been hit by a financial crisis not seen for many years, resulting in the systematic collapse of share markets across the world and credit markets slowing. Property markets not only receded to a standstill but, in many aspects, declined in value.

This came as a surprise to many, including us, especially when we in Western Australia consider the resource boom providing continuing growth to the emerging economies of China and India indicating strong fundamentals to move forward.

My fellow Directors and I sit on boards across various industries and we have all experienced the financial fallout in many ways. The listed property sector has been particularly hard hit as evidenced right across the sector from large to small cap players.

This has impacted Port Bouvard in various ways:

The significantly tighter credit controls have determined the ways money can be accessed and expended. Debt, or the aversion of, is a major driver of the property development industry and the perception by many reflects this particular aspect.

Considering our Company has applied all its reserves to obtain approvals for projects in order to maximise their value, it has prevented dividends being paid and any chance of implementing a share buy back plan as asked by a number of shareholders.

There were a number of institutional investors on our register as a result of last year's \$112m equity raising and some of them have been compelled to change their investment strategy and, as such, have sold down our Company's shares aggressively.

These actions, coupled with the general financial shock of the world economy and subsequent deterioration of retail investor sentiment, has compounded the share price decline of Port Bouvard Ltd.

Before outlining our activities, it is worth reflecting on the history of your Company. Since 1998, land at Port Bouvard and at Princeton Private Estate has been developed and sold at attractive prices, resulting in strong profitability with fully franked dividends paid to shareholders. Land developed was done creatively and marketed and sold particularly well. Your Board was especially proud of the intellectual know how which was applied to the manner in which this work was carried out. In excess of \$100m of fully franked dividends has been paid by your Company since its inception 10 years ago.

By July 2006, the land the Company had developed at these locations was almost sold and the choice for the Board was whether the Company should continue as a property developer or change to another business. For many reasons, not least of which was the experience the Company had in property development, the decision was made for the Company to continue as a property developer and over the following 12 months, a number of significant properties were purchased.

At the same time, our Managing Director Ross Neumann pledged another 2-3 years to help rebuild the Company's pipeline. The details of the assets purchased have been referred to in detail in the annual report and, in our view, are all quality assets with strong sales likely to follow once development approval has been granted and the land subdivided.

The major acquisition of land was Point Grey and this was funded by a capital raising of approximately \$112 million. Other acquisitions have been acquired using cash and debt and, in particular, an arrangement was entered into with our bankers for the acquisition of rural residential land and the town site at Gidgegannup. Part of this acquisition has been settled and title is held by the Company but the town site is yet to be settled, scheduled for 2010 and 2011, and the company continues to evaluate a number of scenarios for funding these.

Debt has always been used to carry out construction work associated with the development of each of the projects. This is done after sufficient presales have been recorded for the project. The final stage of Eastport canals, known as Eastport 5, and the building of the Oceanique apartment towers are funded in this way.

The result of the acquisitions noted has been a pipeline of approximately 5,000 lots of land to be developed and sold over the next 10 - 15 years which should provide strong profits and dividends, subject to the financial markets and economy correcting.

In these uncertain times, it is difficult to know what the value of assets might be and although we use professionals from the valuation industry and our peers, one can never be sure of the most appropriate valuation. Notwithstanding, we the board consider even in today's deteriorated market, the value of the shares to be in excess of \$1.50 which we believe demonstrates the inherent value for shareholders. The board further believes it important to inform the shareholders of the potential value we see in the company, as in these volatile times, we need to be careful of potential corporate attempts by others to snare this value at a steeply discounted price.

We as a Board have been grappling with the perception held by the market regarding debt and the valuation of assets. Since we as a Company have debt and yet have strong underlying asset value, we have proactively reconsidered what ought be our strategic development in the immediate future.

Whereas we expect there to be a means of developing and selling the lots of land from these assets over the next 10 - 15 years, the Board believes that in these troubled times, your company needs to remain flexible and therefore will continue to assess whether to divest or develop sites once required approvals have been obtained. This will be done to ensure responsible capital management in what is a very challenging market.

The company has always maintained that it will recommence paying dividends once profits are realised from its new projects, scheduled in 2010 subject to market conditions and business considerations at the time, however in light of the possibility of asset sales as outlined above to remain flexible as a business. We would prefer not to elaborate further on this strategy, as it may effect our competitive advantage in carrying it out.

In addition to remaining flexible with our assets mentioned above, we constantly review the flexibility of our cash spend, and again in these troubled times, the Board and executive team have taken definite steps to minimise costs where possible including the retrenchment of a number of staff. We consider it prudent in these times to run as lean a ship as possible, adding to the agility of the company.

On the subject of staff, you'll no doubt be aware that myself and the Managing Director plan to step aside by the end of this financial year. As I mentioned earlier, Ross Neumann pledged another 2-3 years as Managing Director in 2006 when we instigated plans to rebuild the company. In accordance with this and proper corporate governance, the timing is right for myself and Ross to pave the way for new leadership as the company embarks on its next phase. It should be noted that this is not in response to the present markets, but as indicated, has been in the wings for some time. The Board continues its search for a new Managing Director and a number of highly capable candidates are already being assessed.

Mr Niels Kroyer has resigned as Company Secretary and this is his last Annual General Meeting in this capacity. I'd like to thank Mr Kroyer for his assistance and wish him well in his retirement.

Before welcoming our Managing Director, Ross Neumann, to address you, I'd like to clarify details relating to the remuneration referred to in the annual accounts. The accounts are prepared as per accounting guidelines and as such we are compelled to record the remuneration in the way formatted. Part of the remuneration has been the so-called benefit associated with allocating options to Mr Neumann and our executive staff. The accounting treatment requires a value to be allocated for these options at the date of issue. In reality, with the exercise price of the options in excess of \$2.00 and our current share price being as it is, there is no value in the options for the recipients. This, along with the accounting treatment of the options, seems to be a strange way of recording the facts but it is in accordance with the accounting standards, and we, most probably along with you, agree that it seems a very abnormal method. It should be noted that as Mr Neumann is resigning as Managing Director next year, he will be ineligible to participate in the option plan, and therefore any unexercised options will be credited back to the company.

The most correct guideline for remuneration is the cash and superannuation component reflected in the table.

It is also worth noting the remuneration practice was introduced after receiving appropriate professional advice from remuneration consultants as to the best and most appropriate way of remunerating our Managing Director and key staff. Unfortunately for them, they have received no benefit at all from the plan introduced, yet along with the rest of our staff, continue to work diligently for your company.

**PORT BOUVARD LIMITED ANNUAL GENERAL MEETING
MANAGING DIRECTOR'S SPEECH
24TH NOVEMBER 2008**

SLIDE 1

Good afternoon Ladies and Gentlemen

SLIDE 2

- Just over 2 years ago, your Directors supported my recommendation to restart the company as an aggressive land developer, capitalising on our good name, proven track record, high profitability and our young, loyal and dedicated staff.
- As referred to by the Chairman, I personally committed to the Company some 2 – 3 more years as Managing Director. Recently I advised the Board I would like to be replaced by 30 June 2009 – how time flies, that will be 3 years.
- At the 2006 AGM, apart from announcing our successful tender was accepted for the acquisition of Point Grey, I advised the shareholders present that we would be quiet for the next 2 – 3 years as our new projects come on stream and the Company will return to very profitable times, depending always on market conditions. “I never thought in my wildest dreams we would be engulfed in this global financial downturn” and I am still to meet the person who saw it coming.

- Our acquisitions over the last 2 years, Peel Region - Point Grey, Melros and Dawesville, Gidgegannup in the Perth hills and Esperance are all magnificent sites and combine to have a landbank in excess of 5,000 lots. This will enable the Company to have a life of some 10 – 15 years.

- In April 2007 we had a capital raising by way of a placement and rights issue and raised \$112 million. This was strongly supported, indicated by a huge oversubscription. I would like to recap for a moment:
 - Shareholders, existing and new, mainly institutions were happy to financially support our placement and rights issue. I also reinforce the Chairman's comment today re "the systematic collapse of world share and credit markets".
 - Cash is being piled up and interest rates are falling. It can't stay in banks for too long. It needs to invest for better returns and with the trend of low interest rates continuing into 2009 will ensure a return of confidence which will see business increase.

- On a positive note, we have had a “programmed good run” on most of our projects and with a new “open for business” Western Australian government, I’m confident that all our projects will move forward faster and when the market changes we will be ready. I am always confident - now more confident.

SLIDE 3

- Highlights of 2008:
 - Point Grey – our development team, along with our consultants, in consultation with government departments and agencies have for the last 2 years been working diligently and we’re on the eve of finalising our rezoning. We expect this to be achieved in early 2009
 - Oceanique – we have now sold 43 apartments totalling some \$114 million and recently we announced that our last sale to a purchaser who previously bought an adjoining unit on the 7th floor which we are converting into 1 large apartment of some 419 sqm sold for \$7.01 million. This is a record, not only for Oceanique at Port Bouvard, but for the whole Peel Region and is in the top 5% in the Perth luxury home unit market.

- The Links – we have sold 20 of the 30 homes and on our current marketing campaign we expect the last 10 to be sold in the next few weeks, with settlements in the first 2 months of 2009.
- Eastport 5 - construction is 50% complete, 2/3 sold with completion in April 2009 and settlements scheduled before 30 June 2009. We believe this to be a very exclusive stage and possibly the last canal subdivision in the Peel Region.
- Marina – is under contract for \$5.25 million, subject only to the Minister for Infrastructure agreeing to the purchaser becoming the lessee.
- Gidgegannup – a lot of field work and community consultation is now completed and we will be lodging our plans to the City of Swan and the State government very shortly. We have gained wide support from the community, the City of Swan and local businesses and we will create Perth's first masterplanned project in the Perth Hills. Sadly, last Saturday, Mr Charlie Gregorini, Mayor of City of Swan, was tragically killed in an accident. The Company sends its condolences to his wife and family.
- Melros – we are now confident of receiving approval in 2009 for a 43 lot residential survey strata subdivision.

- Esperance – following recent talks with State Government Ministers, including the Minister for Planning, I am very confident that we can now progress this wonderful opportunity.

SLIDE 4

- Looking forward
 - Point Grey – early 2009 rezoning target
 - Settlements
 - November/December 2008 \$9.2m
 - Eastport 5, The Links and sundry lots \$34.0m
 - Oceanique – May/June 2010 \$114.0m
 - Non core assets – our Company prides itself on skilfully buying prime assets, improving their value by planning and rezoning approvals and being flexible in this current marketplace with the aim to reduce and/or minimise debt by selling non core assets.
 - Given the negativity in the current marketplace, this is by far the best time to be doing our planning and rezoning work so as to capitalise on our expertise and good working relationships with the State government agencies and local authorities.

- Current project details can be viewed at the company's website www.portbouvardltd.com.au

SLIDE 5

- Key Business Fundamentals – in summary, I stress that the Company has fantastic assets. We are in the process of adding real value to these projects and, in turn, adding shareholder value.
- I have now experienced 6 residential real estate downturns. The last 5 recovered to bigger and better than previously. I do expect the same to happen this time.
- We believe we will be able to turn our share price around with sales and profits and recommence dividend payments after we disburse static broad acre debt – all of which our Directors have taken on board. With further interest rate reductions, as forecast for later this year and into the first half of 2009, I'm very confident that our Company has a huge future in the Western Australian residential property market for the next 10 – 15 years.
- I reiterate that we have a very strong asset portfolio in prime locations
- Our audited net tangible assets (at cost) is \$1.15 per share (which is well above our very low current share price and still significantly less than indicated by the Chairman at \$1.50 per share)

- We will continue to add value to all assets through innovative planning and design work as we move through the planning and rezoning process on all assets.
- When we have achieved our anticipated approvals on all projects and review them in light of the then market conditions – we will decide whether to develop or divest to maintain responsible capital management.
- **Port Bouvard Limited remains focused on delivering value to all its projects in anticipation of a resurgence in the residential real estate markets by 2010.**
- I look around this room today and see many faces that were here 10 years ago and I thank you and many others who were unable to be here today for your continued support of our wonderful company.

Ladies and Gentlemen, thank you for your support and attendance here today.



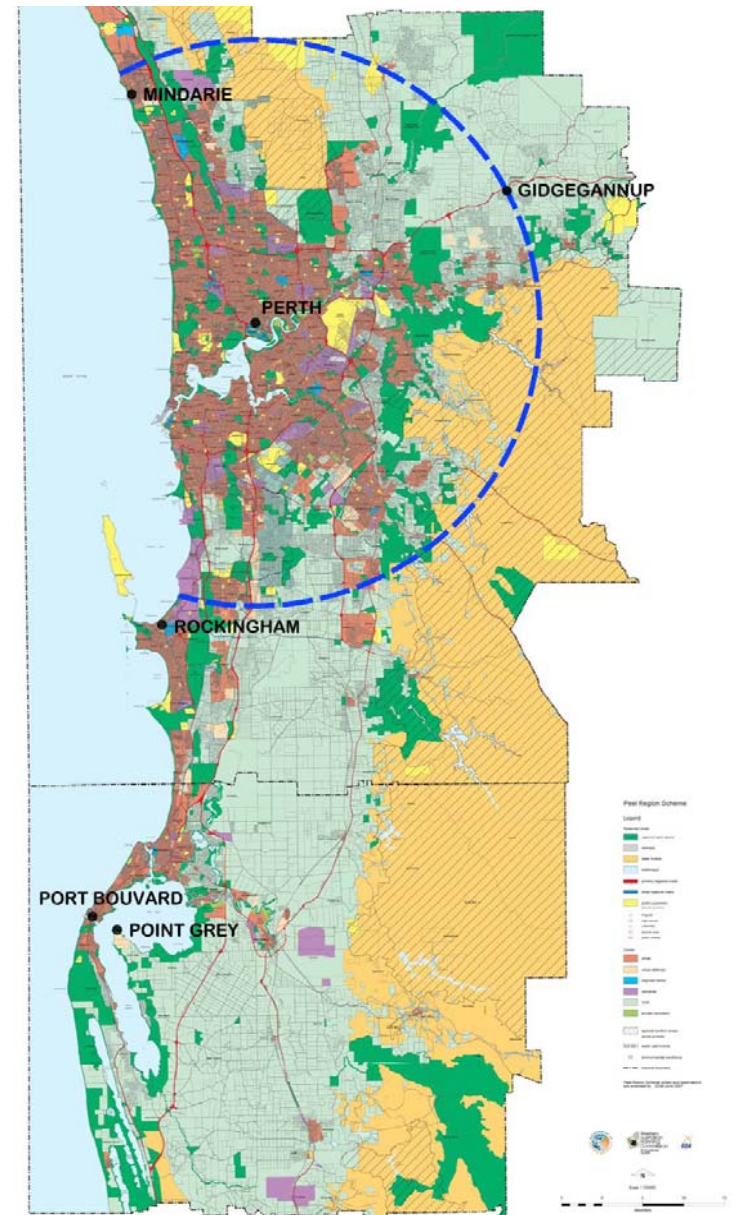
Port Bouvard Limited

*Annual General Meeting 2008
Managing Director's Report*



Since 2006...

- Board decision to continue and acquire new site
- Total landbank in excess of 5,000 lots
- Managing Director committed 2 – 3 years
- Successfully raised \$112 million equity and introduced new institutional capital to register





Highlights of 2008

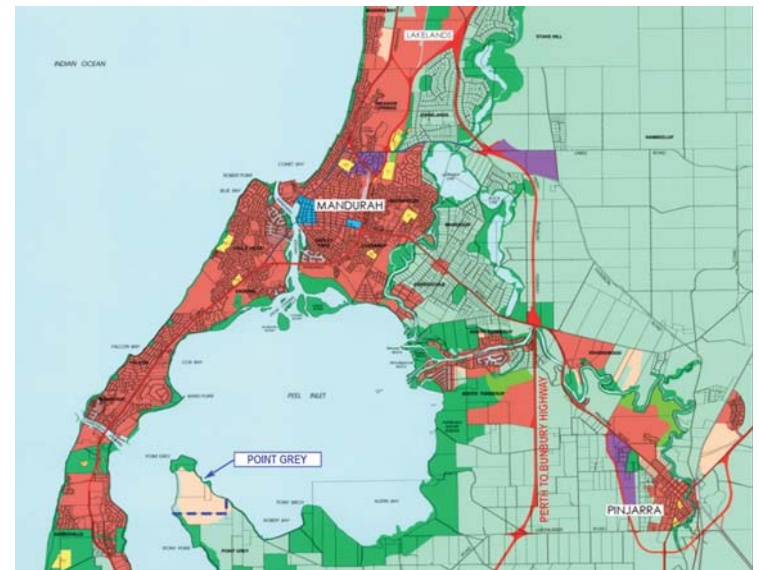
- Point Grey – concept plan lodged and EPA assessment level set
- Oceanique – 2/3 sold and construction well underway
- The Links – 20 of 30 sold
- Eastport 5 – approval and commencement of construction; 2/3 sold
- Marina – under contract and 21 final boat pens completed
- Gidgegannup – extensive community consultation undertaken and masterplan soon to be lodged
- Melros – residential use allowed with either option of 54 apartments or 43 lots to be advertised
- Esperance – State and Local government supported structure plan process has commenced





Looking forward

- Point Grey – early 2009 rezoning complete
- Settlements – Eastport 5 and Oceanique
- Non-core assets – sales strategy
- The down turn in the market provides opportunity to focus on rebuilding and gaining value through approvals
- Current project details can be viewed at our company website www.portbouvardltd.com.au





Key Business Fundamentals

- Significant share price decline on the back of global economic concerns and large institutional sell downs in the sector
- Major shareholders remain intact
- Strong asset portfolio in prime locations
- Actively managing cash flow and gearing levels with a stated focus on reducing broad acre debt and cash outflow through this challenging market
- Audited NTA (at cost) \$1.15 (restated for new accounting policy)
- Delivering value to all assets through innovative planning and design work
- Once desired approvals obtained on projects, review in light of market conditions whether to develop or divest to maintain responsible capital management

“PBD remains focused on delivering value to all its projects in anticipation for a resurgence in the markets by 2010”