

PORT BOUVARD LIMITED

ASX Announcement
2 August 2011

Port Bouvard Limited executes agreements with Ross Neumann

Western Australian property developer, Port Bouvard Limited (**Company**) (**ASX: PBD**), advises that it and a relevant subsidiary has entered into certain agreements with former director, Mr Ross James Neumann. Mr Neumann has an interest in an off-the-plan contract to purchase an Oceanique apartment from a subsidiary of the Company (**Contract**).

Since the Company was informed by Mr Neumann that he would be unable to complete his obligations pursuant to the Contract, the Company has been in discussions and negotiations with Mr Neumann to agree possible alternate arrangements. The Company and Mr Neumann have now agreed to terminate the Contract. In consideration for this the Company has received from Mr Neumann and where appropriate his other entities, the deposit of \$256,000 which has been forfeited, acknowledgement of further damages, guarantees in favour of the Company, an undertaking to advise the Company in the future should his financial circumstances change and an agreement to enter into good faith negotiations if that is the case.

The Company has also entered into a periodic consultancy agreement with Mr Neumann, pursuant to which he will be engaged by the Company as a consultant to undertake a range of specific tasks including the promotion of Oceanique apartments. The Company has engaged Mr Neumann in recognition his depth and experience in sales, as well as his knowledge of the Company and the Oceanique apartment development. Mr Neumann will be paid normal third party commercial rates for these services.

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